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U. S. Congress. House. Committee on
Appropriations.
General deficiency bill.

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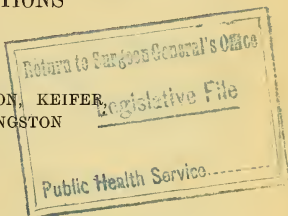
HEARINGS

BEFORE SUBCOMMITTEE OF HOUSE COMMITTEE
ON APPROPRIATIONS

CONSISTING OF

MESSRS. TAWNEY, DAWSON, KEIFER,
BOWERS, AND LIVINGSTON

IN CHARGE OF



DEFICIENCY APPROPRIATIONS FOR 1911
AND PRIOR YEARS

ON

U. S. Congress, House, Committee on Appropriations
GENERAL DEFICIENCY BILL



WASHINGTON
GOVERNMENT PRINTING OFFICE

1911

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GENERAL DEFICIENCY BILL.

Hearings conducted by the subcommittee, Messrs. J. A. Tawney (chairman), Albert F. Dawson, J. Warren Keifer, Eaton J. Bowers, and L. F. Livingston, of the Committee on Appropriations, House of Representatives, in charge of deficiencies for the fiscal year 1911 and prior years, on the days following, namely:

RAILROAD SECURITIES COMMISSION.

NEW HAVEN, CONN., *January 31, 1911.*

MY DEAR MR. PRESIDENT: I write to ask whether it will be possible to include in the general deficiency act a clause reading somewhat as follows:

Any unexpended balance of the appropriation of \$25,000 made by the deficiency act of June 25, 1910, for the Commission on Issuance of Stocks and Bonds by Railroad Corporations, which shall remain unexpended at the close of the fiscal year ending June 30, 1911, is hereby reappropriated for the service of the fiscal year ending June 30, 1912.

While we hope to have our work done and our report completed in the month of May, there are so many subjects which we have to investigate and so many points on which we need light that it seems unwise to set a definite term beyond which our work can not go.

At its meeting in Chicago the Commission unanimously voted to request this extension of time, because they believed that there were many possible contingencies under which the work would be better done, if it did not have to be finished in a hurry.

Faithfully, yours,

ARTHUR T. HADLEY.

The PRESIDENT,
White House, Washington, D. C.

THE WHITE HOUSE,
Washington, February 2, 1911.

MY DEAR MR. TAWNEY: I send you herewith a copy of a letter that I have from President Hadley, who is chairman of the Railroad Securities Commission, in which he asks that the \$25,000 appropriated for the commission be made expendable during the next fiscal year. Will you be good enough to see whether there is any objection?

Sincerely yours,

WM. H. TAFT.

HON. JAMES A. TAWNEY,
*Chairman Committee on Appropriations,
House of Representatives.*

TUESDAY, FEBRUARY 21, 1911.

CIVIL SERVICE COMMISSION.

STATEMENTS OF MESSRS. JOHN A. McILHENNY AND WILLIAM S. WASHBURN, COMMISSIONERS.

ADDITIONAL RENT OF BUILDING FOR WATER-COOLING SYSTEM.

The CHAIRMAN. Mr. Commissioner, you have one item, "Additional rent of buildings, Civil Service Commission, \$250." Is that for the building which is now in the course of construction and which you have leased from Mr. Evans for a period of years?

Mr. McILHENNY. Yes, sir.

The CHAIRMAN. What is the yearly aggregate amount of the rent under your contract?

Mr. McILHENNY. It is \$16,500, sir.

The CHAIRMAN. So this would be \$250 additional?

Mr. McILHENNY. Yes, sir.

The CHAIRMAN. Making \$16,750?

Mr. McILHENNY. Yes, sir.

The CHAIRMAN. What is the necessity for increasing the rent?

Mr. McILHENNY. In going over the plans for the building, Mr. Chairman, it appeared wise to us if we could do so to have a refrigerating plant in the basement of the building which would furnish cold drinking water all over the building instead of having separate ice coolers and supplying the ice necessary to furnish the drinking water in each of the separate rooms of the commission. We secured estimates from Mr. Clark, who is the architect in charge of this building being erected by Mr. Evans, and he told us that for an additional expenditure of \$2,500 this plant, with the necessary drinking fountains, could be installed and supplied to each floor of the building. We therefore come to you with the request that, if possible, you grant us the \$250 additional, which is 10 per cent on the \$2,500, the cost of the installation of the plant.

The CHAIRMAN. Does the owner have to maintain the plant then?

Mr. McILHENNY. Yes, sir.

The CHAIRMAN. Does that include the ammonia pipes and everything?

Mr. McILHENNY. Yes, sir.

The CHAIRMAN. And does he furnish the water?

Mr. McILHENNY. No, sir.

Mr. WASHBURN. It is the city water. It simply goes through the cooling apparatus.

The CHAIRMAN. This will obviate the necessity of your buying ice?

Mr. WASHBURN. Yes, sir.

Mr. McILHENNY. And it will also obviate the necessity of our buying water coolers and stands and all that sort of thing. We have here a memorandum of what would be the relative cost of the two kinds of installation. For pitchers, coolers, and stands for coolers, slop jars, ice buckets and slop buckets, sponges, cleaning cloths, etc., \$217.08.

The CHAIRMAN. That is the equipment?

Mr. McILHENNY. Yes, sir. For loss by deterioration and cost of replacement of old material by new equipment, 10 per cent additional; that is, \$21.70, making a total of \$238.78. Then the cost of three laborers at one hour each per day for 313 working days, amounting to 939 hours, at 22½ cents per hour, \$214.80. The total cost of ice per year, based on the actual cost of ice for the fiscal year 1910, \$160.37, making a total of \$375.17.

Mr. WASHBURN. That is an annual charge. That is the amount that we would have to take out of the contingent expenses after furnishing the equipment.

Mr. McILHENNY. And the other would be the equipment carried from year to year.

The CHAIRMAN. On what do you base the cost of ice at \$160.37?

Mr. McILHENNY. That is based on the price that is charged us by the Interior Department, which supplies us with ice. They have their own ice plant.

The CHAIRMAN. That is on the basis of the ice plant. If you bought ice outside you could not do it for that amount?

Mr. McILHENNY. No, sir.

The CHAIRMAN. They charge you how much a ton, \$1?

Mr. McILHENNY. I do not know.

Mr. ACKER. Two dollars a ton. The cost outside runs from \$5.50 to \$6 a ton.

The CHAIRMAN. Are you charging the other bureaus in the Interior Department for the ice you manufacture and deliver to them?

Mr. ACKER. Yes, sir.

The CHAIRMAN. Do you charge them \$2 a ton?

Mr. ACKER. Yes, sir.

The CHAIRMAN. When it costs you only \$1 a ton, including labor, to manufacture?

Mr. ACKER. There is the cost of delivery which is added in.

The CHAIRMAN. Do you mean to say that it costs \$1 a ton to deliver ice?

Mr. ACKER. No, sir; I do not think it costs that much.

The CHAIRMAN. I have Mr. Hill's statement and the actual cost is only 60 cents a ton, exclusive of labor, and, including labor and everything, it is only \$1 a ton. I was just wondering whether you were going into competition with the ice dealers here in the City of Washington?

Mr. ACKER. No, sir. My understanding is that \$2 a ton covers all the expense incident to the making and delivering of the ice.

The CHAIRMAN. I should think it would, based on the figures which Mr. Hill gave us last year.

Mr. LIVINGSTON. He made the statement to us that he had his own wagons and the cost of delivery would be practically nothing.

Mr. ACKER. That is true as to the buildings within a certain radius. To Freedmen's Hospital and the Howard University it is a long uphill haul.

The CHAIRMAN. I understand, but the Civil Service Commission is only about a block away.

Mr. ACKER. That is true; the cost of that delivery is practically nothing.

Mr. LIVINGSTON. Who fixes the price?

Mr. ACKER. That is determined by the chief clerk of the department.

Mr. LIVINGSTON. What does he know about the cost of ice?

Mr. ACKER. He has all the details of cost presented to him at the time the work is underway and when we purchased all the machinery.

Mr. LIVINGSTON. Then he has a good opportunity to know just what it does cost?

Mr. ACKER. Yes, sir. I am sorry Mr. Ucker is sick; otherwise he would have been here to-day.

Mr. LIVINGSTON. What do you do with the difference in the cost of manufacture and the sale price?

Mr. ACKER. If there is any difference it will go to the credit of miscellaneous receipts and the department would not benefit by it at all. Anything over and above the actual cost would be deposited to the credit of miscellaneous receipts.

Mr. LIVINGSTON. It is owing to how you use the miscellaneous expenses as to whether you would profit by it.

Mr. ACKER. We would not profit by it at all because we would not have the use of the money. It would be turned into the credit of miscellaneous receipts in the Treasury.

The CHAIRMAN. It would be turned into the Treasury?

Mr. ACKER. Yes, sir; just like the receipts from the sale of old material.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., February 21, 1911.

HON. JAMES A. TAWNEY,
House of Representatives.

DEAR MR. TAWNEY: I beg to inclose herewith a comparative statement as to rental of some of the more modern Government buildings in Washington, D. C., showing total rental, approximate rental per capita, and approximate rental per square foot, including rental per capita and per square foot of the commission's proposed building, with the rental already authorized and with the increase requested.

Very truly, yours,

JOHN A. McILHENNY,
Commissioner.

P. S.—Your attention is also invited to House Document No. 785, Sixty-first Congress, second session, containing "Statement showing all lands and buildings and parts of buildings now leased by the Government in the District of Columbia." Discrepancy is noted in the rental per square foot of the part of the Munsey Building occupied by the Geological Survey. The printed document gives it as 15 cents, but from figures obtained informally from the department it appears that it is \$1.15, as shown in the inclosed typewritten statement. The total rental and rate per square foot as given in the typewritten statement differ from the figures given in the document for the buildings occupied by the Interstate Commerce Commission, that commission having apparently rented additional quarters since the document was printed.

Comparative statement as to rental of some of the more modern Government buildings in Washington, D. C.

Offices.	Rental.	Rental per capita.	Approximate rental per square foot.
Life-Saving Service (Star Building).....	\$5,136.00	\$165.68	\$1.09
Interstate Commerce Commission (American National Bank Building, Epiphany Building, 1419 F Street).....	47,300.00	132.92	.98
Forest Service (Atlantic Building).....	24,805.00	99.22	.52
Certain bureaus of Department of Commerce and Labor (Adams Building).....	9,259.80	.....	.56
Isthmian Canal Commission (Mills Building).....	7,500.00	65.22	.42
Auditor for the State and other Departments (Small Building).....	7,700.00	101.19	.83
Geological Survey Annex (Munsey Building).....	2,400.00	.....	1.15
Army Medical School (Builders' Exchange).....	7,600.00	.....	.45
Reclamation Service (Ohio Bank Building).....	8,000.00	.....	.50

Rental per square foot in new building for use of the Civil Service Commission.

Under proposed increase of \$250 per annum, 46,900 square feet of floor space at annual rental of \$16,750 equals an annual rental per square foot of.....	\$0. 3571
Under existing contract (previously appropriated for), 46,900 square feet of floor space at annual rental of \$16,500 equals an annual rental per square foot of.....	. 3511
Proposed increase in rental per square foot.....	. 0060

REMOVAL FROM PRESENT QUARTERS.

The CHAIRMAN. Your next item is, "Removal from present quarters, \$4,000." Do you expect to move, Mr. Commissioner, before the beginning of the fiscal year?

Mr. McILHENNY. We have a reasonable hope, sir, that we will.

Mr. WASHBURN. At the beginning of the next fiscal year; probably during the first month.

The CHAIRMAN. You did not estimate in the legislative, executive, and judicial appropriation bill for the expenses incident to the removal of your office?

Mr. McILHENNY. No, sir. The contract that we have with Mr. Evans provides that we should get into the building in November, but Mr. Evans has told us, and the contractor has corroborated what he has told us, that there is a very strong presumption that we can get in about the 1st of July, and it was for that reason that we have to come to you and ask that this appropriation for the removal of the commission be incorporated in this bill.

Mr. LIVINGSTON. How is this \$4,000 to be expended? What are the details?

Mr. McILHENNY. Of the \$4,000 there will be about \$1,000, sir, expended in the actual cost of moving.

Mr. LIVINGSTON. About \$1,000?

Mr. McILHENNY. Yes, sir.

Mr. LIVINGSTON. I was thinking that it would not be \$4,000.

Mr. McILHENNY. No, sir. Then with the remaining \$3,000 we will have to get awnings, curtains, and furniture for the new building. It is a very much larger building than the one we are now occupying, and the furniture which we have is the cast-off furniture of the other departments which we have gradually accumulated during a period of years. The Interior Department has, at our earnest request, when about to sell under the hammer at auction certain bits of its cast-off furniture, given it to us. That is all we have and it is really unfit for further use. It is old and falling to pieces.

Mr. LIVINGSTON. This covers the carpets and window shades?

Mr. McILHENNY. Yes, sir. Then we need filing cases. We have now in use old filing cases, and the constant handling of those cases is pulling them apart so that we can not use them any more. In going into the new building we would like to have enough appropriation to put up a simple but strong case to hold the papers that we have in constant use.

The CHAIRMAN. Mr. Commissioner, with the increased amount for rent, what will that make the rent per square foot of space occupied?

Mr. McILHENNY. With the \$250?

The CHAIRMAN. Yes, sir. What will that make the aggregate cost per square foot?

Mr. McILHENNY. I have not figured that, sir.

The CHAIRMAN. What was it on the basis of \$16,500?

Mr. McILHENNY. I can not be positive because I am speaking entirely from memory and it was some time ago when I figured it, but I think it is about 37 cents. If you allow me, I will furnish that. This would be a very fractional part of a cent.

The CHAIRMAN. Certainly.

Mr. McILHENNY. I think when we submitted the estimate to you for the \$16,500 we showed that in proportion to what the other departments and bureaus of the Government were paying that we were getting a building of adequate size for our needs at a very much less cost than any of the other bureaus or departments of the Government.

The CHAIRMAN. Except, I think, the Mills Building. That is my recollection.

Mr. McILHENNY. I think it is below the Mills Building.

Mr. DAWSON. Where is this building located?

Mr. WASHBURN. On F Street between Seventeenth and Eighteenth Streets, on the south side, in the middle of the block, backing right up against the Lemon Building.

TRAVELING EXPENSES.

The CHAIRMAN. We have a supplemental estimate from the Civil Service Commission for traveling expenses, \$1,500. Now, your appropriation for the current fiscal year under this head is how much?

Mr. McILHENNY. \$12,000, sir, and we want \$1,500 additional over what we have now. There has been, Mr. Chairman, additional work thrown on the commission by the inclusion of the assistant postmasters and the classification of the second and third class offices, which have not heretofore been classified, and by the additional work that accrues from our examining fourth-class postmasters and filling their positions. The traveling work of the commission has very materially increased and it has gotten to the point where the commission was afraid that if we did not have the \$1,500 that much of the work, perfectly legitimate activity, of the commission would be stopped before the next fiscal year.

The CHAIRMAN. This appropriation comes under the antideficiency law?

Mr. McILHENNY. Yes, sir.

The CHAIRMAN. You apportion this appropriation by quarterly allotments?

Mr. McILHENNY. Yes, sir.

The CHAIRMAN. \$3,000 for each quarter?

Mr. McILHENNY. Yes, sir.

The CHAIRMAN. Did the emergency which necessitated a greater expenditure than you anticipated at the time of making that allotment arise subsequent to the making of the allotment?

Mr. McILHENNY. Yes, sir.

The CHAIRMAN. About what time?

Mr. McILHENNY. The classification of assistant postmasters and clerks in first and second class offices was made by the President on September 30.

The CHAIRMAN. And that imposed upon the commission duties which required expenditures which were not anticipated at the time that the apportionment was made?

Mr. McILHENNY. Yes, sir; and could not be anticipated.

The CHAIRMAN. And the discharge of those duties would necessarily create a deficit?

Mr. McILHENNY. Yes, sir.

There is another item on the same line that I would like to tell you about, and that is that we have included since the first of this fiscal year, under what we term the district system, the engineering department at large, and under those regulations our district secretaries are members of those boards and must instruct those boards in the holding of examinations and in the rating of the papers. They are widely spread out throughout the United States. That is another item of travel which the commission has undertaken and which could not have been anticipated when our apportionment was first made.

Mr. WASHBURN. That remark applies also to the ordnance department at large, where we revised the regulations and require our district secretaries to take a hand in the examining and rating of the papers, which has not been done heretofore.

UNDER DEPARTMENT OF STATE.

STATEMENT OF MR. SYDNEY Y. SMITH, CHIEF OF THE DIPLOMATIC BUREAU.

INTERNATIONAL SEISMOLOGICAL ASSOCIATION.

The CHAIRMAN. We have here, Mr. Smith, an item for the "International Seismological Association: For defraying the necessary expenses in fulfilling the obligations of the United States as a member of the International Seismological Association, including the annual contribution to the expenses of the association, and the expenses of the United States delegate in attending the meetings of the commission, for the fiscal year ending June 30, 1910, \$1,300." Under the agreement, Mr. Smith, referred to in this paragraph, what is the amount of our annual contribution to the expenses?

Mr. SMITH. The contribution amounts to about \$800 in round figures; it was 770 and some odd dollars the last time.

The CHAIRMAN. When was the last meeting of the association?

Mr. SMITH. The last meeting occurred in a year when we made no appropriation.

The CHAIRMAN. In 1910?

Mr. SMITH. Yes, sir; we were not represented at that meeting.

The CHAIRMAN. And had no delegates—

Mr. SMITH. And there was no occasion to appropriate for the expenses of a delegate. The association is one in which the Geological Survey is interested, and we understood that they were represented at this meeting, but we have since found out that they were not.

The CHAIRMAN. I think they were.

Mr. SMITH. They were? We were told they were not. We are informed, Mr. Chairman—

The CHAIRMAN. Possibly you are right.

Mr. SMITH (continuing). That there would be no expense on account of the attendance of a delegate.

The CHAIRMAN. I was thinking of another instance, or another international meeting in London, at which a representative of the Geological Survey attended, and his expenses were paid out of an appropriation for printing maps.

Mr. SMITH. I am ignorant as to that.

The CHAIRMAN. So we have incurred no expense on account of sending a delegate.

Mr. SMITH. That is my information.

The CHAIRMAN. This is merely for paying our annual contribution?

Mr. SMITH. Yes, sir. Eight hundred dollars would be sufficient.

The CHAIRMAN. And that is an international agreement?

Mr. SMITH. It is under an international agreement to which the Government is an adherent, and we are bound for 12 years, I think. 1916 is about the earliest we could get out of that with honor.

INTERNATIONAL JOINT COMMISSION, CANADA AND UNITED STATES
BOUNDARY WATERS.

The CHAIRMAN. Do you know anything about this supplemental estimate sent here making an appropriation for \$75,000 for the fiscal year of 1911, available for the payment of rent of buildings in the District of Columbia for the international joint commission?

Mr. SMITH. Yes, I think so; the Waterways Commission, I think you are referring to.

The CHAIRMAN. It is the use of boundary waters.

Mr. SMITH. Yes, sir; that is it; there is an appropriation of \$75,000 made by the sundry civil bill of last year, and in view of the fact that the commission was not appointed, and the comptroller decided that that was a continuing appropriation, no request for an appropriation was made in the estimates of this year for that purpose; but, under an old statute, it is required that special authority of Congress shall be granted for the expenditure of any part of the appropriation for rent in the District of Columbia, and it is to enable a certain part of the \$75,000 to be applied to rent that the request is made.

The CHAIRMAN. I understand you have already rented a building.

Mr. SMITH. Yes, sir; they have rented a building that is jointly used by the three commissions, the El Chamizel Arbitration Commission, the British Claims Commission, and this commission, and they are to pay their proportionate shares of the rent.

The CHAIRMAN. Do these other two commissions occupy the building now?

Mr. SMITH. Yes, sir.

The CHAIRMAN. They are in the building?

Mr. SMITH. Yes, sir.

The CHAIRMAN. Where is the building located?

MR. SMITH. That is, the El Chamizel Agency is in the building—the El Chamizel Arbitration Commission's agent; that commission is established under a treaty with Mexico for the arbitration of what is known as the El Chamizel tract, including the greater part of the city of El Paso, Tex., which, by reason of a change in the course of the river, is claimed by both countries.

THE CHAIRMAN. That is what is actually known as the Southern Boundary Commission?

MR. SMITH. The International Water Boundary Commission of the United States and Mexico. But this treaty with Mexico adds to that commission a third commissioner, who shall be a Canadian. The treaty has been ratified on both sides, and is now in force, and the Canadian commissioner has been appointed.

THE CHAIRMAN. Does the Canadian commissioner live here?

MR. SMITH. He does not live here; no, sir; he is a Canadian.

THE CHAIRMAN. He does not have his office here?

MR. SMITH. Well, he will have his office here when the commission meets and is in session.

THE CHAIRMAN. What is the nature of the controversy which that commission has been appointed to arbitrate?

MR. SMITH. The nature of the controversy is to decide to whom the greater part of the city of El Paso, Tex., belongs.

THE CHAIRMAN. How long has the commission been in existence?

MR. SMITH. It has just been appointed—just established.

THE CHAIRMAN. Just appointed?

MR. SMITH. Yes, sir. The treaty was passed upon by the Senate at this present session.

THE CHAIRMAN. And the treaty has been promulgated by the President?

MR. SMITH. Yes, sir; by the Presidents on both sides.

THE CHAIRMAN. Where do you get the appropriation of money with which to pay the expenses of that commission?

MR. SMITH. I can not answer. The Chief of the Bureau of Accounts would have to answer that. By the way, I think the rent was paid and the auditing officers of the Treasury turned it down, and a request has been made by the Secretary, of Congress in the deficiency estimates, for authority to relieve the Chief of the Bureau of Accounts of the department of that charge against him.

THE CHAIRMAN. So it is your purpose to charge the whole of that rent against this \$75,000 for the International Joint Commission?

MR. SMITH. No, sir; my understanding is that it is to be apportioned. There have been three requests made of you, I think, for the insertion of a provision to use a part of the three appropriations for rent. This building is the old Bureau of American Republics Building, at the Avenue and Jackson Place.

THE CHAIRMAN. Where?

MR. SMITH. Pennsylvania Avenue and Jackson Place.

THE CHAIRMAN. The old building of the Bureau of American Republics?

MR. SMITH. Yes, sir.

THE CHAIRMAN. What rent do they pay?

MR. SMITH. \$3,000, I think; I could not state the exact amount. We have no connection with them.

The CHAIRMAN. There is no appropriation for this Boundary Commission between Mexico and the United States?

Mr. SMITH. Yes, sir; the regular commissioners are to get no compensation from the appropriation for the arbitration of the El Chamizel tract; of course, if they have to travel any they would get traveling expenses; but Gen. Mills, our commissioner, is a resident of Washington. and if he does not travel he would have no expense at all.

The CHAIRMAN. Gen. Mills is our commissioner, and there is one from Mexico?

Mr. SMITH. Yes, sir; one from Mexico. Mr. Chairman, under this appropriation for the arbitration of this matter, provision is made for the compensation of an agent and counsel, in addition to the Canadian commissioner, and by the treaty we are required to pay one-half of the running expenses.

The CHAIRMAN. Mexico pays one-half and we pay the other half?

Mr. SMITH. Yes, sir.

The CHAIRMAN. These two commissions that are now in this building are organized, are they not?

Mr. SMITH. No; the British claims commission is not as yet an established fact. There has been a treaty signed with Great Britain for the submission to arbitration of most all of the claims of either party against the other. That treaty has not yet been sent to the Senate for the reason that the schedule of claims that is to accompany it has not in its entirety been agreed upon. The preliminary work in preparing the cases of the United States and the claims of the United States is in progress, and the gentlemen engaged on that work are occupying that building.

The CHAIRMAN. The commission has not yet been appointed?

Mr. SMITH. No, sir; it has not yet been appointed. As a matter of fact the treaty has not been submitted to the Senate yet.

The CHAIRMAN. Who are the people employed in that work now?

Mr. SMITH. The people who are employed in that work, in the preparation of our claims, are employees of the department, but we are so crowded that we did not have the room for them there. They have been detailed, I think, from the solicitor's office.

The CHAIRMAN. Have you no appropriation from which rent for these offices could be paid?

Mr. SMITH. No, sir; not that I know of.

The CHAIRMAN. How many of the employees of the State Department do you say are working there now?

Mr. SMITH. I think three.

The CHAIRMAN. Three?

Mr. SMITH. Yes, sir.

The CHAIRMAN. Well, this arbitration commission. Are they organized?

Mr. SMITH. The El Chamizel Commission?

The CHAIRMAN. Yes.

Mr. SMITH. Well, they are all appointed. The Boundary Commission is a permanent institution—

The CHAIRMAN. Yes.

Mr. SMITH (continuing). And the Canadian commissioner, who is to join them in this particular case, has been appointed. But they have not held a session yet, for the reason that the case for neither

side is completed yet. They are engaged in the preparation of the cases.

The CHAIRMAN. Has that commission any clerks or other employees?

Mr. SMITH. They have an agent; an agent has been appointed on the part of the United States.

The CHAIRMAN. They have no clerks?

Mr. SMITH. Only regular department employees.

The CHAIRMAN. Are department employees detailed to assist the agent?

Mr. SMITH. Yes, sir, to assist the agent.

The CHAIRMAN. Who is the agent?

Mr. SMITH. Mr. Dennis, who was formerly one of the assistant solicitors of the department; but he is now out of the department.

The CHAIRMAN. What compensation does he get?

Mr. SMITH. I can not tell you.

The CHAIRMAN. His salary is paid from this appropriation carried in the diplomatic and consular appropriation bill?

Mr. SMITH. It would be paid from that; yes, sir.

ST. JOHN RIVER COMMISSION.

The CHAIRMAN. Do you know anything about the St. John River Commission?

Mr. SMITH. Yes, sir; I think I know a little. That commission is the result of a complaint made by the British ambassador that citizens of Maine were violating the treaty of 1842, which provided that the St. Johns River, where it formed the boundary between the two countries, should be kept open to navigation to citizens of both countries. The people of New Brunswick complained that the people of Maine were blocking the river with logs and filling it with sawdust from several mills on the shores. An agreement was reached with Great Britain, by which the question of the use of the St. Johns River should be submitted to a commission, and this is the commission, which was appointed, I think, in 1909.

The CHAIRMAN. How many employees does that commission have?

Mr. SMITH. There are two commissioners, one counsel, a consulting engineer, and three clerks, I think.

The CHAIRMAN. Two commissioners, one counsel, a consulting engineer, and three clerks?

Mr. SMITH. Yes, sir.

The CHAIRMAN. Does this commission employ engineers outside of the consulting engineer, when their services are necessary?

Mr. SMITH. I think not. There is a report which the commissioners have made, showing why that additional appropriation is requested, and if you wish it I will read it to you.

The CHAIRMAN. I would like to see it; you can give a brief summary of it. Tell us, first, if you can, when the work of this commission will probably be completed. When will this work probably be completed?

Mr. SMITH. When they requested this \$15,000 extra they stated that would complete the work, and that they would not ask for any more. The department told them that it did not expect them to ask for any more.

The CHAIRMAN. It is contemplated, then, that the appropriation of this \$15,000 will complete the work?

Mr. SMITH. That is what the department understands.

The CHAIRMAN. How much of the St. Johns River is covered by this—what length, how far?

Mr. SMITH. From where it forms the boundary.

The CHAIRMAN. For what distance?

Mr. SMITH. The distance I can not tell you in miles, but it forms a great distance of the boundary between Maine and New Brunswick.

The CHAIRMAN. The charge was made on the part of Great Britain that the citizens of Maine were violating the treaty of 1842?

Mr. SMITH. Yes, sir; that they were blocking the river with logs and filling it with sawdust.

The CHAIRMAN. Who is acting as counsel?

Mr. SMITH. The counsel is a gentleman by the name of Mr. Fallows, of Maine. The commissioners are J. A. March and Peter C. Keecher, both of Maine. These are the United States commissioners. There are two on each side.

The CHAIRMAN. Have you a summary of that report, Mr. Smith?

Mr. SMITH. No, sir; I have not a summary. I just got the notice when I came to the office to appear here, so I did not have an opportunity to prepare myself by making a summary. But I got this report and I will read that to you. It is but two typewritten pages.

The CHAIRMAN. Read it then.

Mr. SMITH (reading):

[In re St. John River Commission.]

CALAIS, ME., February 6, 1911.

The SECRETARY OF STATE,

Washington, D. C.

SIR: In answer to the letter from the State Department of January 28, 1911, requesting a report of the progress of the work which has already been made by the commissioners and the work which remains to be performed we beg leave to submit the following:

Our appointment was dated January 12, 1909. Soon thereafter we entered into communication with the Canadian commissioners, and on the 5th day of May of the same year we organized with the Canadian commissioners and proceeded upon the work of the examination of the conditions and uses of the St. John River.

Our first work was the inspection of the river where it forms the boundary between the State of Maine and the Province of New Brunswick. We examined carefully the methods used by the citizens of the United States and the British subjects as to the use of this portion of the river in driving, booming, holding, and assorting the logs and the manufacturing of lumber.

We also made a careful inspection of the river below the boundary relative to its uses in the driving and booming of the lumber, that both parties might become familiar with the navigation for log-driving purposes by the people of the State of Maine and said Province of New Brunswick; the commission fully understanding that by the terms of the treaty of 1842, where the St. John River is declared to be the line of boundary, the navigation of the river shall be free and open to both parties and shall in no way be obstructed by either, and below the line of boundary either party shall have free access to and through the river for their products to its mouth.

A very large number of witnesses were examined relative to the conditions and uses of the river covering the period from the time the treaty was entered into by the United States and Her Britannic Majesty down to the present time.

Where the river forms the boundary the principal use at the present time is for floating, holding, booming, and manufacturing wood and lumber. The navigation of the river has been carried on for a number of years by a cor-

poration formed for the purpose of driving logs under a charter which was granted by the State of Maine and the Province of New Brunswick.

From the time of the adoption of the treaty in 1842 to the year 1880 all the lumber cut in the State of Maine and the Provinces of Quebec and New Brunswick upon the St. John River and its tributaries was floated down the river and manufactured at Fredericton and St. John, New Brunswick. Since the year 1880, mills have been established along the St. John River where it forms the boundary, within the State of Maine and within the Province of New Brunswick, for the purposes of manufacturing lumber cut upon the tributaries of said river.

Large mills are now in operation within the State of Maine on the St. John River where the river forms the boundary, and large sums of money have been expended by citizens of the United States in equipping these mills for the purpose of manufacturing lumber cut in the State of Maine and on the tributaries of the St. John River, and of necessity they have used the river for booming, holding, and sorting logs which formerly were manufactured in Fredericton and St. John, New Brunswick.

These large industries have grown up by reason of the facilities for shipping manufactured lumber to market.

The conditions and uses of this river have entirely changed since the adoption of the treaty and the joint commission has watched for two seasons carefully the conduct of the manufacturers and the log drivers, so that when the commission has completed its work it will be able to report to each Government the changes which have been brought about since the adoption of the treaty by reason of these new conditions.

The commission has also watched carefully, investigated, and taken much evidence with reference to the flow of water and how the river can be improved for log-driving purposes in and along the river where it forms the boundary, and also where it is below the eastern line of the State of Maine.

We have also examined the river and its tributaries with reference to the change of the flow of the water which has taken place since the treaty was adopted, by reason of the cutting of the lumber and the clearing up of the land along said river and its tributaries.

The commission has also taken much evidence and made a personal examination relative to the best methods of conserving water on the St. John River and its tributaries for log-driving purposes, having in constant view the benefits which might accrue later for the development of power in the different localities along said river and its tributaries.

The American and Canadian counsel have offered much evidence in regard to the former uses of the river and its conditions, the quantity of lumber floated down the river to St. John and Fredericton, and the effect of its present condition.

The joint commission has heard much evidence pertaining to the Telos Canal, which the Canadian Government claims was a canal constructed within the State of Maine to divert the water of Chamberlain Lake, Allegash Lake, Round Pond, and Telos Lake, being headwaters of the Allegash River (a tributary to the St. John River).

The commissioners on behalf of both Governments considered this of great moment, and they, with counsel, made a personal inspection of the so-called Telos Canal, together with the dams and watersheds on the said Allegash River. This required much time and considerable expense, as it is located in the interior of the State of Maine some 75 miles from any railroad or highway, and the trip had to be made by canoes. The construction of the Telos Canal, in the minds of the commissioners, was in a measure the cause of the difficulties arising upon the St. John River, where it forms the boundary.

The Telos Canal has been in contention between the two Governments for a number of years. It is wholly located within the State of Maine, some 100 or more miles from the Canadian boundary. This canal was constructed for the purpose of floating logs from the vicinity of Chamberlain Lake into the waters of the Penobscot River, and, we believe, was constructed previous to the treaty in 1842.

At the organization of the joint commission Mr. Harold H. Murchie was elected secretary to act for both Governments in the keeping of the records.

Wendall P. Jones, K. C., of Woodstock, New Brunswick, and A. J. Gregory, K. C., of Fredericton, New Brunswick, counsel on behalf of the Canadian Government, and Hon. Oscar W. Fellows, of Bangor, Me., counsel on behalf of the

United States Government, have attended all of the meetings of the joint commission, and Mr. Fellows has always met with us when not in joint assembly.

The oral evidence already taken and copies will cover about 3,000 typewritten pages. Many ancient records, maps, and organizations of corporations have been introduced on the one side and on the other.

The Canadian Government still has much evidence to be introduced before the commission and the counsel for the United States informs us that there is quite an amount to be introduced relative to the Telos Canal, and there is a great amount of work to be done, and evidence to be taken on both sides pertaining to the conservation of the water of the St. John River and its tributaries. There is also much evidence to be taken as to the best methods of improving the river for better log-driving purposes.

It seems to the commission on both sides that wherever the board of consulting engineers determine upon dam sites that the joint commission should make a personal inspection of their location.

Still another matter which was referred to the joint commission under date of May 3, 1910, was the proposed development of the Grand Falls Power Co. at Grand Falls on the St. John River about 2 miles east of the State of Maine line. This fall is capable of developing 80,000 horsepower and will be of great benefit to the northeastern section of the State of Maine as well as the Province of New Brunswick. The development of this power, however, might interfere with the uses of the St. John River for log-driving purposes, and might be in contravention of the third article of the treaty of 1842.

This matter has not been fully examined by the joint commission but during the season of 1911 will be, and the engineers which have been in the employ of the proposed development company will be examined, and the consulting engineers now in the employ of the two Governments will be examined, relative to the effect of reservoiring the water at this point and the development of power upon the uses of the river for log-driving purposes and the effect that it will have upon the vested rights on either side of the St. John River where it forms the boundary between the United States and Canada.

If the department desires to receive a more detailed report, showing the work which the commission has accomplished and the work which remains to be done, the commission will furnish the same as soon as may be after the request is received.

We are your obedient servants,

GEO. A. MURCHIE,
PETER C. KEEGAN,
Commissioners.

Now, the commission's accounts are all held up on this record.

The CHAIRMAN. Why are they held up?

Mr. SMITH. Awaiting this appropriation, and also the approval of the Secretary; he has not approved their accounts yet.

The CHAIRMAN. Then this appropriation is not only for the future work of the commission, but to pay our proportionate share or part of the expense already incurred?

Mr. SMITH. Yes, sir.

Mr. DAWSON. Has the \$20,000 appropriated in 1910 been entirely expended?

Mr. SMITH. I can not say whether it has been entirely expended. I fancy it has been, because each commissioner is paid \$5,000, and the counsel is paid \$5,000, and there is \$15,000 right off.

The CHAIRMAN. Do you know how much has been expended on account of the work?

Mr. SMITH. No, sir; I do not, Mr. Chairman; for the reason that these accounts never pass through my hands. They go to the Bureau of Accounts, are examined by them, and are submitted to the Secretary, and he looks over them and approves or disapproves.

The CHAIRMAN. When you return to the department, will you kindly have a statement of the amount expended up to date, on account of this commission, the amount of all accounts that have been

presented to the department and remain unpaid, and then the amount that will be needed to complete the work, furnished this committee, so that we may put it in the record?

Mr. SMITH. I doubt if we could tell you that latter, except——

The CHAIRMAN. Well, give your estimate; you stated that \$15,000 would be sufficient to complete it.

Mr. SMITH. They told us that that would complete the work, and we told them that we did not expect them to come back on us again.

Mr. DAWSON. As a matter of fact this \$15,000 would simply pay the salaries of the two commissioners and the counsel for another year.

Mr. SMITH. I understand from this that it is not intended for that purpose, but for use in additional work they have been doing, examining into the feasibility of building dams, etc., facilitating the floating of logs, so the river will not be blocked up.

The CHAIRMAN. That is all.

DEPARTMENT OF STATE,
Washington, February 21, 1911.

Hon. JAMES A. TAWNEY,

Chairman Committee on Appropriations, House of Representatives.

DEAR SIR: In compliance with the request which you made of me this morning when I was before your committee, I beg to inclose herewith a copy of the report from the United States commissioners, St. John River Commission, from which I read. I have the honor also to inclose, in further compliance with your request, a statement prepared by the department's Bureau of Accounts of expenditures from the appropriations, St. John River Commission, and of the outstanding accounts not paid.

Very respectfully,

S. Y. SMITH,
Chief, Diplomatic Bureau.

[Memorandum.]

BUREAU OF ACCOUNTS, DEPARTMENT OF STATE,
February 21, 1911.

Statement of expenditures from the appropriation "St. John River Commission."

Amount appropriated ----- \$40,000.00

Amount expended, as follows:

Mr. Cecil Clay, services and expenses	\$2,045.33	
Mr. O. F. Fellows, services and expenses	6,161.15	
Mr. Norris W. Owens, services and expenses	100.00	
Mr. Harold H. Murchie, services and expenses	6,474.63	
Mr. Peter C. Keegan, services and expenses	5,182.80	
Mr. Harold S. Boardman, expenses	140.95	
Messrs. Sawyer & Moulton, expenses	96.29	
		20,201.15
Balance		19,798.85

Outstanding account (not paid):

Mr. Ferguson, services and expenses	\$90.00
Department of public works of Canada (field services)	7,885.22

\$8,775.22

Respectfully submitted.

MONDAY, FEBRUARY 20, 1911.

COLLECTING INTERNAL REVENUE.

STATEMENT OF MR. R. E. CABELL, COMMISSIONER OF INTERNAL REVENUE.

SALARIES AND EXPENSES OF AGENTS.

The CHAIRMAN. Mr. Commissioner, we have on page 9 of the bill an item "For salaries and expenses of 40 revenue agents provided for by law, and fees and expenses of gaugers, salaries and expenses of storekeepers and storekeeper-gaugers, \$65,000." Is that an anticipated deficiency for the fiscal year 1911, or is it an actual deficiency for the fiscal year 1910?

Mr. CABELL. That is an actual deficiency for the fiscal year 1911. You understand we have 40 agents; their expenses are practically fixed, and the number of storekeepers, gaugers, and storekeeper-gaugers paid from this appropriation is indefinite, dependent upon the amount of spirits manufactured and the amount in bond. The statutes require us to furnish these officers at any distilleries which may be in operation, and their fees are dependent upon the amount produced when at a distillery, when at a warehouse, upon the amount in bond, or when at a bottling house upon the amount bottled. Now, the production of distilled spirits last year increased enormously the last six months of the past fiscal year, and that increase is keeping up during the present fiscal year, and the deficit has already actually attached on a monthly pro rata to within a few thousand dollars of the amount asked for, though the monthly pro rata would indicate that the future pro rata will approximately be sufficient. Therefore \$65,000, as estimated, will just about cover it.

The CHAIRMAN. Then it is an estimated deficiency for the fiscal year 1910?

Mr. CABELL. No, sir; the present fiscal year.

The CHAIRMAN. What I wanted to know was whether it was an anticipated deficiency or an actual deficiency?

Mr. CABELL. An indicated deficiency, being practically ascertained.

The CHAIRMAN. But you anticipate that your appropriations for this service at the end of this year will be deficient by the amount of \$65,000?

Mr. CABELL. Yes, sir.

The CHAIRMAN. And that estimate is based upon the extent to which the expenditures—the monthly expenditures—for this service have thus far gone, and have exceeded the average of the entire expenditures for the fiscal year?

Mr. CABELL. Yes, sir; it is practically a calculation, Mr. Chairman.

Mr. LIVINGSTON. Do we understand you, then, that this \$65,000 carries you to the 1st of next July?

Mr. CABELL. Yes, sir; the 1st of this coming July.

The CHAIRMAN. Does it arise from the fact that the manufacture, storage, and withdrawal of distilled spirits has greatly increased?

Mr. CABELL. Yes, sir; and bottling. We are paid for the bottling 10 cents a case, and we derive a nice revenue from that. But, of course, the revenue we derive from that goes into the general collec-

tions, and the expenditure for that service comes out of the appropriated amount, and quite a considerable portion of this deficiency comes from the increase in bottling.

The CHAIRMAN. What revenue do you derive from your bottling in bond?

Mr. CABELL. About \$300,000 a year, in addition to the regular taxes.

The CHAIRMAN. That is what I mean.

Mr. CABELL. Yes, sir. Quite a nice margin of revenue.

The CHAIRMAN. That is deposited in the Treasury to the credit of the general fund?

Mr. CABELL. Yes, sir; to each collection district in which received.

The CHAIRMAN. And the service is paid for out of the appropriations?

Mr. CABELL. Yes, sir.

Mr. LIVINGSTON. Is that chiefly a part of the whisky trade in South and Central America?

Mr. CABELL. No, sir.

Mr. LIVINGSTON. You did not have any bottling until very recently—until within a few years ago?

Mr. CABELL. Until the bottling in bond act was passed.

The CHAIRMAN. That was passed 10 years ago.

Mr. CABELL. And since the pure food agitation and discussion as to "what is whisky" that business has developed wonderfully and is going steadily forward now.

CLASSIFICATION, INDEXING, EXHIBITING, ETC., RETURNS OF CORPORATION TAX.

The CHAIRMAN. The next item is a deficiency in the appropriation for "Classifying, indexing, exhibiting, and properly caring for the returns of all corporations required by section 38 of an act entitled 'An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes,' approved August 5, 1909, including the employment in the District of Columbia of such clerical and other personal services and for rent of such quarters as may be necessary, \$5,000." What was the amount of the appropriation?

Mr. CABELL. Twenty-five thousand dollars, Mr. Chairman. We asked for \$50,000, but as it was entirely new work we did not really know how much it was going to take. The committee last year gave us \$25,000. There is a deficiency anticipated in this appropriation. We are able practically to calculate the additional amount which will be necessary in this case, because we know just how many returns we have and how much it will cost to do the work.

The CHAIRMAN. In other words, your guess was \$20,000 out of the way and our guess was only \$5,000 out of the way?

Mr. CABELL. Yes, sir; your guess was very much better than ours, Mr. Chairman.

REFUND OF SUMS PAID FOR DOCUMENTARY STAMPS.

The CHAIRMAN. The next item is "Refund of sums paid for documentary stamps." I have your letter, Mr. Cabell, in regard to that. I understand there are no claims that you know of, except the one of Washburn, Crosby & Co.

Mr. CABELL. Yes, sir.

The CHAIRMAN. And most of those claims have already been paid?

Mr. CABELL. Yes, sir.

The CHAIRMAN. There is no objection to the extension of time for filing until December 31, 1911, is there?

Mr. CABELL. No, Mr. Chairman; I do not know how many claims may be outstanding. The Supreme Court decided the collection of that part of the tax was unconstitutional. The time for filing claims has already been extended 12 months. But if there are any claims which, through inadvertence, have not been filed, I think the claimants should be given an opportunity to file them.

The CHAIRMAN. The refund in these cases is due to the decision of the Supreme Court holding this tax to be unconstitutional?

Mr. CABELL. Yes, sir; this phase of the law was held to be a tax on exports.

REFUND OF CERTAIN STAMP TAXES.

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER OF INTERNAL REVENUE,
Washington, February 15, 1911.

HON. J. A. TAWNEY,
House of Representatives.

MY DEAR MR. TAWNEY: Replying to your letter of the 14th instant relative to the proposed claim of the Washburn-Crosby Co., the same being a balance alleged to be due it of \$6,529.78; asking whether any considerable number of said claims now on file are barred by the statutory limitation; and referring to the provision for a further extension of time for filing claims of this class, I have the honor to advise you that there are no claims on file in this office for the refunding of amounts paid for documentary stamps which are barred by the statute.

The original act authorizing the Secretary of the Treasury to refund the value of stamps affixed to foreign bills of exchange was approved February 1, 1909, and the time within which such claims might be filed has been twice extended; first, by a clause in an appropriation bill approved August 5, 1909, and, second, in the urgent deficiency bill, act of June 25, 1910, which finally extended the time to December 1, 1910.

If it be deemed desirable to grant a further extension of time within which such claims may be filed, I respectfully suggest that a brief paragraph in any appropriation bill to the effect that the act of February 1, 1909, authorizing the Secretary of the Treasury to refund the value of documentary stamps affixed to foreign bills of exchange be extended to a stated time, would meet the requirements of the case.

In line with former amendments to the act, it seems that December 1, 1911, if fixed as a final limitation, would give ample time within which to prepare and file such claims.

Very sincerely, yours,

R. E. CABELL, *Commissioner.*

FEBRUARY 1, 1911.

HON. JAMES A. TAWNEY,
House of Representatives, Washington, D. C.

DEAR SIR: Yours of the 30th ultimo received, in regard to securing possible extension of time for filing claim for refund of stamp tax.

In answer to your inquiry would advise that the amount of our claim is \$6,529.78.

It certainly seems unreasonable to ask you to get a further extension, yet the failure on our part to file the required papers occurred through the sickness of the person who had the matter in charge.

Respectfully, yours,

WASHBURN-CROSBY Co.,
JOHN CROSBY, *Treasurer.*

JANUARY 25, 1911.

HON. JAMES A. TAWNEY,

House of Representatives, Washington, D. C.

DEAR SIR: In common with other exporting millers we paid a stamp tax on foreign bills of exchange under the war-revenue act of June 1, 1898, which tax was by the act of February 1, 1909, ordered to be refunded, on the ground that it was in effect a tax on exports. Having a claim for refund of taxes paid by us in this way, we filed schedule and affidavit as required by the regulations. Through inadvertence on our part we did not file an additional paper known as "Claim for redemption." We are informed by the internal-revenue officials that our claim can not be considered, although we can furnish satisfactory evidence, as the particular paper above described was not filed within the period specified in the law.

We are advised that in order to secure the allowance of our claim it will be necessary that the provision of the act of February 1, 1909, relating to the period in which such claims could be filed, should be extended, so that we can have an opportunity to file our claim anew and secure a refund of the amount paid by us as such tax.

We therefore write to-day asking you if you will secure the adoption of a provision in the proper appropriation bill extending the time in which claims can be filed under the act of February 1, 1909.

It was certainly the intent of Congress that this tax on exports should be refunded, and we are sure that you will agree with us that our claim should receive the same consideration as those of other exporters.

We will appreciate any assistance that you may give in this matter.

Respectfully,

WASHBURN-CROSBY Co.,
By JOHN CROSBY, *Treasurer.*

REFUNDING INTERNAL-REVENUE COLLECTIONS.

The CHAIRMAN. The next item is "Refunding internal-revenue collections," on page 11.

Mr. CABELL. Mr. Chairman, this arises under the statute authorizing offers in compromise of any violation of internal-revenue laws to be made, the violators making an offer in compromise, depositing the money in cash. Collectors formerly kept such amounts as a special deposit, but on account of some trouble arising in connection with that method the law was changed, requiring them to remit such amounts daily, just as they do other collections. Then if the offer is rejected, to enable the money to be returned quickly, instead of having to go through the usual routine, this appropriation is made, from which such amounts are returned.

The CHAIRMAN. How much was your appropriation for this purpose for the present fiscal year?

Mr. CABELL. \$30,000.

The CHAIRMAN. How much of it has been expended?

Mr. CABELL. \$20,000 has been expended, and we have rejected offers of compromise aggregating \$27,000 additional; we have pending other offers aggregating \$10,000, which will be rejected, and this additional \$40,000 will cover and give us a small margin of safety on the amounts actually in sight.

The CHAIRMAN. The amounts now actually in sight?

Mr. CABELL. Yes, sir. The offers that are made subsequently to this time will hardly be ready to be returned until after the close of the fiscal year, so it is practically a calculation on that also.

The CHAIRMAN. I think that is all, Mr. Commissioner.

Mr. CABELL. I have a paper deficiency of \$10,000.

The CHAIRMAN. That you have estimated for?

Mr. CABELL. Yes, sir.

PAPER FOR INTERNAL-REVENUE STAMPS.

The CHAIRMAN. "Paper for internal-revenue stamps"?

Mr. CABELL. Yes, sir. That is due to the increased business in tobacco, distilled spirits, etc.

The CHAIRMAN. What was the aggregate of the internal revenue collected in the fiscal year 1909?

Mr. CABELL. 1909?

The CHAIRMAN. I mean during the fiscal year 1910.

Mr. CABELL. \$289,000,000, and we are \$20,000,000 ahead up to the present date. The indications are we will go to \$310,000,000 or over this year.

The CHAIRMAN. Is there any material falling off in the last months of the fiscal year?

Mr. CABELL. This present month as compared——

The CHAIRMAN. No. Is there not a rule in your department that in the last months of the fiscal year your revenues are less than they are in the other parts of the year?

Mr. CABELL. There is a slight falling off. The months run somewhat as ordinary commercial business runs; the summer months are lighter; the business begins to slow down a little in April. Now, the corporation-tax receipts come in chiefly in June; consequently we get some \$15,000,000 or \$16,000,000 from that source in June, which, of course, makes June now the heaviest month of the year. But from distilled spirits, tobacco, etc., the withdrawals in contemplation of the summer trade are lighter than the withdrawals in contemplation of the fall and winter trade.

The CHAIRMAN. What was the amount collected for the fiscal year 1910 under the corporation-tax provision of the tariff act?

Mr. CABELL. There was collected during the fiscal year 1910 approximately \$21,000,000. You understand the corporation tax is based on the calendar year, and a portion of it is collected in one fiscal year and a portion in the next year. There was assessed for the calendar year 1909, which has been collected up to the present time, about \$27,000,000, slightly over \$27,250,000.

The CHAIRMAN. How much has been assessed and payment not yet made?

Mr. CABELL. We have practically cleaned up everything, with the exception of the daily work being done by the examining agents in the field. Our agents have been cleaning up or catching up on errors and improper deductions, etc., on an average of about \$100,000 a month. The regular assessments were made, you understand, in May, and the bulk of the collections made in June and July. Now our agents in the field are checking up the returns.

The CHAIRMAN. You have an unexpended balance, of the original \$100,000 appropriated for the collection of the corporation tax, of \$45,000, have you?

Mr. CABELL. Yes, sir; approximately, of that which was made available during this year.

The CHAIRMAN. And the expenditures from that appropriation, that were estimated to be necessary, have not been made as fully as you expected, because of the failure of the Supreme Court to dispose of the corporation-tax case, involving the constitutionality of this law?

Mr. CABELL. Yes, sir.

The CHAIRMAN. Now, if the law is held to be constitutional you will have \$100,000 in the fiscal year 1912 for expenditure?

Mr. CABELL. Yes, sir.

The CHAIRMAN. That is carried in the legislative, executive, and judicial appropriation bill, and you will need, you think, in addition to that \$100,000, \$45,000, the unexpended balance left from your previous appropriation?

Mr. CABELL. Yes, sir.

The CHAIRMAN. You think you will need that amount?

Mr. CABELL. Yes, sir. I am satisfied that amount should be expended.

The CHAIRMAN. That \$45,000, the unexpended balance, is available for expenditure during this fiscal year?

Mr. CABELL. Yes, sir; but we will not need to expend it all this year.

The CHAIRMAN. You will not need to expend it before the 1st of July?

Mr. CABELL. No, sir; we will actually need it subsequent to that, in addition to the \$100,000 regularly allowed.

The CHAIRMAN. This deficiency estimate of \$10,000 for paper for internal-revenue stamps is occasioned by the increase in the internal-revenue business, the same as the other deficiencies?

Mr. CABELL. Yes, sir; and the increase in the cost of paper, Mr. Chairman. We had to pay 60 cents a hundred higher for paper this year than last.

The CHAIRMAN. Sixty cents a hundred pounds additional?

Mr. CABELL. Yes, sir; higher.

The CHAIRMAN. Whom do you get your paper from?

Mr. CABELL. The New York & Pennsylvania Paper Co.; they were the lowest bidders last year.

The CHAIRMAN. How many bidders were there?

Mr. CABELL. We contract for it at so much per ton, Mr. Chairman, and without limiting the amount, according to the grades of paper we need.

The CHAIRMAN. You do not understand me. How many bidders were there? How many manufacturing concerns bid on the contract?

Mr. CABELL. Mr. Chairman, last year we were able to get, I think, but three bidders. We got three bidders last year.

Mr. LIVINGSTON. Who were the other two?

Mr. CABELL. I really could not tell you, sir. Mr. Ralph was chairman of the committee.

Mr. RALPH. I was not chairman of the committee, but I was affiliated with it. The Champion Coated Paper Co., of Hamilton, Ohio, and the Eastern Manufacturing Co., of Bangor, Me.

The CHAIRMAN. Are these three companies independent of each other or consolidated?

Mr. RALPH. Yes, sir; they are competitors, Mr. Tawney.

The CHAIRMAN. They are competitive bidders?

Mr. RALPH. Yes, sir.

Mr. CABELL. We got our paper considerably lower than the Post Office Department, whose bids were opened later, got its paper for stamps.

Mr. LIVINGSTON. You do not know whether the West Virginia Paper Co. was a bidder or not?

Mr. RALPH. I do not think they were. This was quite a large contract.

Mr. LIVINGSTON. What do you pay for this paper?

Mr. CABELL. We pay \$4.80 per hundred pounds, including freight. Last year we paid for the same paper, \$4.20 per hundred.

The CHAIRMAN. Mr. Cabell, will you draw a provision reappropriating that \$45,000 balance?

Mr. CABELL. Yes, sir.

The CHAIRMAN. We have it somewhat involved here in other appropriations, and if you will send up the draft of a provision reappropriating that amount then we can include it in this bill.

MINTS AND ASSAY OFFICES.

STATEMENT OF MR. GEORGE E. ROBERTS, DIRECTOR OF THE MINT.

ASSAY OFFICE AT NEW YORK.

The CHAIRMAN. The next item is "Mints and assay offices." Mr. Director, your first item is on page 13, "Assay office at New York." In that paragraph you ask for authority to use \$25,000 of the unexpended balance to the credit of the appropriation for parting and refining bullion for the purpose of providing "Lighting fixtures, new melting furnaces, additional scales, balances, and other necessary apparatus." Will you tell me what the amount of the appropriation is from which you propose to appropriate the \$25,000?

Mr. ROBERTS. The unexpended balance on February 20, 1911, was \$455,430.68.

The CHAIRMAN. What charges are there against that appropriation?

Mr. ROBERTS. There are no outstanding charges except the current expenses of the refineries.

The CHAIRMAN. Are the expenses of all the refineries made from this appropriation?

Mr. ROBERTS. They are.

The CHAIRMAN. What are the annual receipts that are received and deposited in the Treasury to the credit of this appropriation?

Mr. ROBERTS. The total receipts for the last fiscal year were \$323,590.57, and the expenditures of the year were \$245,853.97. Permit me to say that the receipts of the refineries have been largely increased in recent years by the introduction of a new process of refining by electricity, which saves a great many by-products which formerly went to waste. The principal item is platinum. Platinum is carried by gold bullion quite frequently in very small quantities. Heretofore it has cost more to save that platinum than it would be worth, consequently it has been lost; but by the introduction of electricity as a refining agent we have been able to save this platinum, and it has amounted to very important sums.

The CHAIRMAN. It is almost as valuable as gold?

Mr. ROBERTS. Yes; it is worth more than gold. Platinum is now worth about \$36 an ounce and fine gold is worth \$20.67 an ounce.

Our sales of platinum for the fiscal year ending 1910 and up to date in this year have amounted to \$198,346.33, which formerly we were not able to recover, and for that reason we have had a large surplus for the last few years in this fund.

The CHAIRMAN. Is there any offset in consequence of this change in process, due to increased cost of the new process?

Mr. ROBERTS. No; the cost is less than it was before.

The CHAIRMAN. The cost of refining is less by electricity than it was formerly by the old method?

Mr. ROBERTS. Yes. It is a question as yet as to whether we will not be obliged to make some return to depositors, because claims are coming in; that is, our regular depositors, like the American Smelter & Refining Co. and other firms depositing large amounts of bullion, are asking that the Government pay them for these by-products. But inasmuch as this process was developed in the mint service, and cost us, incidentally, considerable to develop it, and inasmuch as nobody else makes a return for these by-products, we have not as yet felt that we were under any obligation to do so.

Mr. LIVINGSTON. You would have to have authority to do so, would you not? Before you could do it you would have to have authority to do it. It costs something to develop these by-products?

Mr. ROBERTS. Yes; but we have not yet reduced the charges for refining bullion. Eventually I should say we would have to do one or the other; either make an allowance for the platinum or reduce the charge, because the theory of the act is that we shall charge the cost of doing this work and no more.

Mr. KEIFER. What do you do with the platinum?

Mr. ROBERTS. We sell it on the market; we invite bids for it.

Mr. KEIFER. What do you do with the money?

Mr. ROBERTS. It is turned into this fund for parting and refining.

Mr. KEIFER. That is the point I wanted to get at. And in that way you keep your fund up?

Mr. ROBERTS. Yes.

Mr. KEIFER. Is there any law providing you shall do that with the by-products?

Mr. ROBERTS. Yes. And there are also certain charges which we make for refining this bullion, and those charges were fixed with a view of covering the cost of refining.

The CHAIRMAN. These charges are also put into this fund?

Mr. ROBERTS. Yes, sir; but since we have had this large revenue from these by-products the fund has increased very rapidly until, as I say, it is something like \$455,000 at this time, and inasmuch as the business of the assay office at New York is largely that of receiving and handling this bullion, we have thought that this equipment might properly be charged to that fund, although it is not, I think, directly so chargeable. A certain proportion of the expenses—that of employees engaged in the work of refining and in the office—is regularly charged to that fund, but the salary of the superintendent and of clerks, and so on, have not been charged to that fund; they are covered by appropriations.

The CHAIRMAN. What are the items of charges that you can make against this fund under the law?

Mr. ROBERTS. Well, we charge the wages of the workmen who are engaged in the refinery, we charge for the acids, the power that is

now used in the electrolytic process, and all the incidental costs of operating the refinery. We have also allowed some for the general expenses of the office; but you can not very well charge a part of the salary of the superintendent of the office to parting and refining and a part of it to his other responsibilities. So all the salaries of the general staff have been paid from appropriations made by Congress.

The CHAIRMAN. Well, if you were required by law to turn into the Treasury of the United States, to the credit of the general fund, all fees and all moneys received from the sale of by-products, and then Congress appropriated directly for the entire service, do you or do you not think that would tend to better administration than to have a large balance on hand from which to draw at any time?

Mr. ROBERTS. Well, I think it would be a closer control by Congress.

The CHAIRMAN. It would be a closer administration?

Mr. ROBERTS. I think it would; yes.

The CHAIRMAN. The tendency in having permanent appropriations of this kind in administration is to draw a little heavier than you would if you were estimating for the expenses direct?

Mr. ROBERTS. Well, under a good administration, it ought not to be any larger, but you run that risk; it vests more discretion in the administrative officer.

The CHAIRMAN. In other words, it leaves the administrative officer the power to fix the standard of public expenditure for that service?

Mr. ROBERTS. Yes.

The CHAIRMAN. Instead of Congress?

Mr. ROBERTS. Yes.

Mr. LIVINGSTON. How would it affect your administration if you should cover all the expenses, the superintendent and all the staff, out of the sale of these by-products?

Mr. ROBERTS. Well, they are not so chargeable under the law. The law explicitly says that the charges shall be fixed to cover, but not to exceed, the cost of doing this work. Now, the assay office at New York conducts a very large business. It receives a great deal of refined gold; all the gold that comes to this country from abroad, through the port of New York, goes through that office. For instance, during the panic of 1907 something like \$100,000,000 of gold came in at New York, imported by New York bankers. All of that was in foreign coin or refined bullion, and it passed through this office and went over to the mint at Philadelphia.

Mr. KEIFER. Why does it have to go there?

Mr. ROBERTS. Well, these importers can take it directly from the ship to that office and get cash on it the same day.

The CHAIRMAN. Is that gold treated in the assay office in New York or shipped to Philadelphia?

Mr. ROBERTS. It is melted there, assayed there, the value ascertained, you see, and it is then paid for. Now, the cost of doing that is not properly chargeable to the cost of parting and refining bullion, because that bullion is not parted or refined there.

Mr. DAWSON. In fixing charges for the refining of bullion, do you take into account any percentage for overhead charges?

Mr. ROBERTS. Well, we do somewhat, that is to say, there is always a surplus of income over the expenditures, which we allow for in that

way, and from time to time a lump sum has been covered into the Treasury.

The CHAIRMAN. Has any amount from this appropriation in the past been turned into the Treasury.

Mr. ROBERTS. Oh, yes.

The CHAIRMAN. By authority of Congress?

Mr. ROBERTS. Yes.

The CHAIRMAN. Could not some of this balance be turned into the Treasury now?

Mr. ROBERTS. Yes.

The CHAIRMAN. What amount would you suggest could be safely turned in without jeopardizing your service in the least?

Mr. ROBERTS. Well, if we had \$100,000 surplus I should say it would be ample.

The CHAIRMAN. And the balance is how much?

Mr. ROBERTS. \$455,000.

The CHAIRMAN. I understood you to say that hereafter there would be no legal objection to turning into the Treasury all of the receipts, both for parting and assaying, as well as the receipts from the sale of by-products, and then estimating annually for all the expenses?

Mr. ROBERTS. There is no serious objection to that.

The CHAIRMAN. Well, in that way, Mr. Roberts, Congress would always know what the aggregate cost of the service was, but in this way Congress does not know.

Mr. ROBERTS. I think the chief objection to doing it, from time to time, has been that in any one particular year, the year in which it was begun, it would show quite an increase in the estimates of the department, and there is always a struggle to keep down the estimates.

The CHAIRMAN. What is the aggregate cost out of this appropriation annually?

Mr. ROBERTS. It was \$238,000 last year. I would say that there has been one further reason since we began our experiments with the electrolytic process and began to install it in the mints throughout the country, and that is it saved us from going to Congress for a considerable amount of money for this new equipment, and saved us the difficulty we might have had in getting those appropriations. These experiments have been successful; the process has more than paid for itself, but it has been installed gradually from one year to another, and we are now about to install it in the office in New York. And aside from this sum which we have asked you to authorize here, we expect to spend a considerable amount of money out of this appropriation for the equipment of the refinery proper. That we unquestionably have the right, as the law stands now, to do. But this \$25,000 is for equipment which would not be covered strictly by the law. After that office is equipped we will be done with that.

The CHAIRMAN. All the other offices are equipped with the electrical appliances?

Mr. ROBERTS. Yes, sir.

The CHAIRMAN. That are now being used for parting and refining?

Mr. ROBERTS. Yes, sir. The mint at Philadelphia, the mint at Denver, and the mint at San Francisco have been equipped, and the assay office at New York is the last office that we expect to equip.

Mr. LIVINGSTON. Will your process, that of electricity, separate the gold from sulphur? Now, take the North Carolina gold and the gold of some other States with which I am acquainted. Above water there is no sulphur mixed with the gold, but get down into the water and there comes the sulphur and the gold. Have you made any experiments to see whether that sulphur can be separated from the gold?

Mr. ROBERTS. Well, the sulphur is eliminated by the time it reaches the stage at which we could handle it by electricity. We do not take ore; we take bullion.

Mr. LIVINGSTON. I know, but I thought probably you had made experiments somewhere to test it.

Mr. ROBERTS. No, we have not.

Mr. LIVINGSTON. We have a great deal of gold in some of the Southern States, but that is the trouble with it.

Mr. ROBERTS. I might say, more particularly about these items that enter into this \$25,000, that that sum is intended for apparatus for the assay department, furnaces, equipment for the melting room, for electric fixtures, and arc lights—they are not covered by the Supervising Architect's appropriation—house telephone system, time-clock system—

The CHAIRMAN. What do you mean by house telephone system?

Mr. ROBERTS. Well, that is an inside system connecting all departments of the institution.

The CHAIRMAN. In the bill you do not say "house telephone system," you merely say "house telephone." I did not know whether it was for a telephone in the superintendent's house.

Mr. ROBERTS. Oh, no, it is an interior system.

The CHAIRMAN. I suppose you mean that, but you simply used the words "house telephone."

Mr. ROBERTS. Well, it should have said "house telephone system."

The CHAIRMAN. Under the present wording it would mean only one telephone, and you could not install a system under that language.

Mr. ROBERTS. Where does it say that?

Mr. KEIFER. It is in the bill on page 13.

The CHAIRMAN. However, I notice it reads "house telephone and time and watchman's clock systems."

Mr. ROBERTS. That is the way it reads, yes. These items cover expenditures which we would not feel authorized to draw from the appropriation for parting and refining.

Mr. LIVINGSTON. You do not know whether the comptroller would hold that you had that right or not? You have not made a test?

Mr. ROBERTS. No, but I am quite sure he would not allow it. If the business of the New York office was to handle bullion that had to be refined exclusively, I should say that all of these expenditures might be paid from that appropriation, but that office handles a great deal of bullion and does a great deal of business aside from the operation of the refinery. The New York office sold \$38,000,000 worth of small, fine jewelers' bars last year, for the use of manufacturing jewelers.

Mr. LIVINGSTON. In the handling of this gold by these importers what expense do they incur? You, of course, charge them for handling it?

Mr. ROBERTS. It first passes into the melting room and is melted and poured to make sure that every bar is a genuine bar and not a bogus one; then it must be assayed, the value determined, calculated, and payment made for it, and, of course, there is a great deal of clerical work in connection with all of that.

Mr. LIVINGSTON. Do these importers pay the expenses for all of that?

Mr. ROBERTS. There are directly no charges on that kind of bullion; that comes in under the law which authorizes the free coinage of gold.

Mr. LIVINGSTON. Well, no wonder they send that gold first backward and then forward.

Mr. ROBERTS. Well, all bullion for coinage is accepted free by the mints of the United States.

Mr. KEIFER. Well, that is old?

Mr. ROBERTS. Yes; that is not new.

Mr. LIVINGSTON. Is there not a lot of speculation in that?

The CHAIRMAN. How can there be?

Mr. LIVINGSTON. It seems to me that would be so when they can change that gold into American coin without any cost and vice versa; that is, take American gold and ship it back to England.

Mr. ROBERTS. It has a tendency to level the stock of money the world over, the stock of money in all countries; if they can use it to better advantage in the United States it is brought here, and if it can be used to better advantage elsewhere it goes there. The mints of Great Britain are open to coinage free, too.

Mr. KEIFER. Well, for this imported gold you pay in gold coin?

Mr. ROBERTS. We do; the coinage value of it.

The CHAIRMAN. What is the aggregate business of the New York assay office?

Mr. ROBERTS. Well, it varies very much. Last year the receipts were about \$60,000,000.

The CHAIRMAN. And all imported bullion is assayed in that office before it is transferred to the mint at Philadelphia, is it not?

Mr. ROBERTS. Yes, sir.

The CHAIRMAN. And after it has been assayed the importer is able to get his cash immediately?

Mr. ROBERTS. It becomes the property of the Government in that office.

The CHAIRMAN. It becomes the property of the Government in that office, and the importer is paid for it in gold coin as soon as its value is ascertained?

Mr. ROBERTS. Yes, sir.

Mr. LIVINGSTON. But he can use the certificate immediately, can he not? He can use the certificate from your office before the gold goes to the Philadelphia mint?

Mr. ROBERTS. Oh, yes; they pay there.

The CHAIRMAN. That is the reason it is assayed.

Mr. ROBERTS. They give a check on the subtreasury, next door, as soon as its value is ascertained.

Mr. KEIFER. And draw the gold immediately?

Mr. ROBERTS. Yes.

MINT AT CARSON, NEV.

Mr. LIVINGSTON. What do you know about these items here—one for the mint at Carson, Nev.?

Mr. ROBERTS. Those are simply items of freight charges, for which the bills were not presented while the appropriation was available; the appropriation went back into the Treasury, and we have no funds.

Mr. KEIFER. Therefore it becomes a deficiency?

Mr. ROBERTS. Yes, sir.

Mr. LIVINGSTON. An actual deficiency?

Mr. ROBERTS. Yes, and the bills ought to be paid.

ASSAY OFFICE AT DEADWOOD, S. DAK.

Mr. LIVINGSTON. Is the same true as to Deadwood?

Mr. ROBERTS. No; the Deadwood item is due to an increase in the volume of the business there. During the last year the Homestake mine has been making its deposits at that office, whereas formerly they shipped their bullion to New York.

Mr. LIVINGSTON. Let me ask you this question: Could not they have continued that shipment to New York and saved something to the Government instead of turning that into Deadwood? Is that for the purpose of making a good showing for Deadwood, or is it really a matter of economy to have that stuff sent down to Deadwood instead of doing what they did before—carry it to New York?

The CHAIRMAN. Mr. Roberts, as a matter of fact, the assay office has nothing to do with directing where bullion shall be shipped or assayed?

Mr. ROBERTS. They are bound to receive whatever is presented.

Mr. KEIFER. Under the law they can take it to any assay office?

Mr. ROBERTS. Yes; they have the choice of taking it to any of the offices they care to.

Mr. KEIFER. And are authorized by law to do so?

Mr. ROBERTS. Yes, sir.

The CHAIRMAN. The bullion shipped from the assay office to the mint is shipped at the expense of the Government?

Mr. ROBERTS. Yes; it is.

The CHAIRMAN. Well, what new machinery is it necessary to purchase between now and the 1st of July for the Deadwood office, the assay office at Deadwood, S. Dak., as referred to on page 14 of the bill?

Mr. ROBERTS. Well, an additional melting furnace; and part of this sum will be wanted for incidental contingent expenses, due to handling a larger amount of bullion, fuel, and other supplies. The Homestake mine, I might repeat, formerly sent its bullion to New York; their product amounts to something like five or six million a year, while the receipts, prior to receiving the Homestake bullion, have been less than \$1,000,000 a year; so there is a very large increase in the business of the office.

Mr. KEIFER. They simply do the work there for these people; that is, put this into bars there?

Mr. ROBERTS. Yes; put into bars.

Mr. KEIFER. That is what I mean.

Mr. ROBERTS. It is melted and poured into a bar, and paid for.

Mr. KEIFER. Do you pay for it there?

Mr. ROBERTS. Yes, sir; they pay for it by a draft on the Treasury.

Mr. KEIFER. They do not have the coin there to pay for it?

Mr. ROBERTS. No.

Mr. LIVINGSTON. Does the law require you to accept all bar gold that is offered?

Mr. ROBERTS. All bar gold; that is, all gold bar that is suitable.

Mr. LIVINGSTON. Whether you need it or not?

Mr. ROBERTS. We are not obliged to receive gold that is not sufficiently refined to be subject to our treatment; that is to say, we do not receive gold ore.

Mr. LIVINGSTON. I understand that. I mean they take this gold and put it into bars and it is paid for on the spot?

Mr. ROBERTS. Yes, sir.

Mr. LIVINGSTON. And they get a certificate from the Treasury?

Mr. ROBERTS. Yes, sir.

Mr. LIVINGSTON. Whether you need the gold or not?

Mr. ROBERTS. Well, the world always seems to want gold.

ENGRAVING AND PRINTING.

STATEMENTS OF MR. JOSEPH E. RALPH, DIRECTOR BUREAU OF ENGRAVING AND PRINTING, AND MR. LEE McCLUNG, TREASURER UNITED STATES.

FOR LABOR AND EXPENSES OF ENGRAVING AND PRINTING.

The CHAIRMAN. Your first item is on page 14, "For labor and expenses of engraving and printing: For salaries of all necessary employees, other than plate printers and plate printers' assistants, to be expended under the direction of the Secretary of the Treasury, \$45,000." Your appropriation for the fiscal year 1911 was \$1,081,383?

Mr. RALPH. Yes, sir.

The CHAIRMAN. How much of that appropriation has been expended?

Mr. RALPH. My financial statement for the month of January shows that I had a deficit of \$11,917.85 on a pro rata apportionment through the 12 months.

The CHAIRMAN. That is, you would have a deficit?

Mr. RALPH. Yes, sir; that is due to the fact that we have provided the Treasurer with additional notes. When we prepared our estimates for the present fiscal year the Secretary of the Treasury, or the Assistant Secretary of the Treasury, I should say, Mr. Norton, in order to bring about retrenchment in the appropriations, cut the estimate of the Treasurer from sixty to fifty-five millions of sheets, a reduction of 20,000,000 notes. When we started in on this fiscal year the Treasurer asked that his appropriation be increased to provide him with 60,000,000 sheets, and just at the close of the last session of Congress Mr. McClung and myself made an effort to have placed in the sundry civil bill an item of appropriation to provide for the increase of 5,000,000 sheets, but we were a little late, and it was

decided we had better come in with a deficiency. I have been working the force in the bureau to keep up the demands of the Treasurer's office by providing him with the necessary notes, in consequence of which we find we are going to have a deficit approximating \$175,000, \$45,000 of which is apportioned to compensation of employees.

The CHAIRMAN. Well, then, do you mean to say that, due to the work that was estimated for for this fiscal year, you will require about \$11,000 more than was appropriated for the service?

Mr. RALPH. No; I can do the work estimated for, but the increased demands of the Treasurer's office for notes to replace money sent in for redemption, which we have been taking care of, will warrant an appropriation of \$45,000 on the item for the compensation of employees.

Mr. KEIFER. The national bank currency?

Mr. RALPH. No; silver and gold certificates and United States legal tender.

Mr. KEIFER. When they are sent in for cancellation?

Mr. RALPH. Yes, sir.

The CHAIRMAN. Well, the present status of your appropriation would seem to indicate that you have a deficiency of \$11,000; that is what I understood you to say?

Mr. RALPH. Yes; due to the fact that we have been taking care of the demands of the Treasurer, which have been in excess of the amount of notes estimated for. In other words, the appropriation available for the work of supplying the Treasurer of the United States with gold and silver certificates and legal tender would warrant me in supplying the Treasurer of the United States with 185,000 sheets of printed securities each day during the year; the facts are that I am delivering to the Treasurer of the United States 223,000 sheets, and have been doing so for months.

The CHAIRMAN. I do not quite see how you could get a deficiency of \$45,000.

Mr. RALPH. That is the amount estimated to carry us through the balance of the year in order to give the Treasurer the increased amount necessary to meet his obligations on the redemption of notes.

The CHAIRMAN. Well, on the basis that you are now furnishing the Treasurer with 225,000 a day, under your current appropriation, what would be your deficiency?

Mr. RALPH. \$45,000 on this item.

The CHAIRMAN. \$45,000?

Mr. RALPH. Yes, sir.

The CHAIRMAN. Then you have, during the past six months, been drawing on the amount apportioned for the last six months in order to deliver to him the number of sheets that he has required?

Mr. RALPH. Yes, I have been exceeding my pro rata allowance, the pro rata apportionment.

The CHAIRMAN. Well, do you think you will have to keep up that rate? Will the demand for notes be less or will you have to keep up that rate to the end of the fiscal year?

Mr. RALPH. The Treasurer has asked for more than that; he would like to have 250,000 sheets a day, if he could get them. I am going to spend all available money to increase the deliveries of notes to the Treasurer in order that he may provide for current redemptions.

The CHAIRMAN. Does not part of this go into the reserve?

Mr. RALPH. No. We are hopeful of getting a reserve sometime in the Treasurer's office, whereby he can meet demands upon him by the banks for larger and smaller denominations of notes. In the fall there is always a great demand for small denomination, also around the holidays; just now I expect they want large denomination, and we have to keep changing the denominations of the money that we print to meet the demands. If the Treasurer could have 10,000,000 sheets in his reserve stock, apportioned among the various denominations, it would be a great convenience to his office. In the past, when the Treasurer sealed the notes, the capacity of the mechanical appliances was not equal to the demand made upon the Treasurer's office. Since July 1 all notes have been sealed in the bureau, and I find that our mechanical equipment is equal to the demands of the Treasurer, provided that we have sufficient money appropriated to carry on the work. In our estimates for the present fiscal year, 1911, we pared pretty close to the quick, and when I tell you—

The CHAIRMAN. Let me understand you; you say that with your present equipment and force you could deliver how many sheets?

Mr. RALPH. Two hundred and forty thousand; I am delivering to the Treasurer 225,000.

The CHAIRMAN. You could deliver 240,000?

Mr. RALPH. Yes; that is, the mechanical equipment will permit me to do that.

The CHAIRMAN. Your mechanical equipment?

Mr. RALPH. Yes.

The CHAIRMAN. How is it with your personnel?

Mr. RALPH. Well, that entails a little additional overtime in the other divisions to handle that quantity of work, and additional printers to print it.

The CHAIRMAN. I can not see, then, how you have a deficiency in this particular item.

Mr. RALPH. Let me make this clear, Mr. Chairman. I have estimated in the appropriations provided for this year to deliver to the Treasurer 185,000 sheets of printed securities, four notes to a sheet; now, I am delivering to the Treasurer 220,000 sheets a day; there are 35,000 sheets in excess of the amount estimated, for which payment must be made out of some compensation. Now, the materials that enter into that—the ink and labor of handling that 35,000 sheets a day—necessarily are involved in this \$11,000.

The CHAIRMAN. Yes; but there is nothing here except the personal services in this paragraph?

Mr. RALPH. Yes; but that takes in the entire bureau—the printing division, the examining division, the numbering division, the surface-printing division, and the miscellaneous division.

The CHAIRMAN. Well, what stumps me is you say you can deliver 15,000 more sheets a day with your present equipment and force than you are delivering?

Mr. RALPH. I am speaking about the mechanical equipment, the capacity of the mechanical equipment, but that does not take in the personal force.

The CHAIRMAN. I understand; but I understood you to say your present force and the mechanical equipment?

Mr. RALPH. No; only the mechanical equipment; the mechanical equipment at the Treasurer's office was limited to 200,000 a day; now, I have a capacity for 240,000, if we are called upon, and have the appropriation to operate it.

The CHAIRMAN. But it would require a larger personnel?

Mr. RALPH. It would require an hour additional each day to do it.

Mr. KEIFER. Working the same force, or would you have to enlarge the force?

Mr. RALPH. No; it would not be necessary to enlarge the force.

The CHAIRMAN. Just increase the hours of labor?

Mr. RALPH. Yes, sir.

Mr. KEIFER. With the same force?

Mr. RALPH. Yes, sir.

The CHAIRMAN. And when they work overtime they get time and half time for it?

Mr. RALPH. No; regular time.

WAGES OF PLATE PRINTERS.

The CHAIRMAN. The next item is on page 15: "For wages of plate printers," \$130,000.

Mr. RALPH. The same argument would apply to that item, Mr. Chairman.

The CHAIRMAN. You have for this fiscal year \$1,522,997?

Mr. RALPH. Yes, sir.

The CHAIRMAN. What is your balance?

Mr. RALPH. The last financial statement, taken at the end of January, showed that I had exceeded the pro rata of my appropriation, \$74,559.

The CHAIRMAN. What was your actual unexpended balance on the 31st of January, 1911?

Mr. RALPH. I have not those figures with me, but dividing the amount available by 12 months, which would be the pro rata share, with holidays, etc., shows that I have exceeded the pro rata of my appropriation \$74,559. That is, the piece rates paid to the printers.

Mr. KEIFER. And you want \$130,000 to carry you through the year?

Mr. RALPH. To provide for the printing of 5,000,000 sheets for the Treasurer's office.

Mr. KEIFER. That is, you anticipate part of this for the balance of this fiscal year?

Mr. RALPH. Yes, sir. If it were not for the increased demand of the Treasurer's office I would not have a deficit; I would have an unexpended balance.

Mr. DAWSON. Do you anticipate that you will have to deliver 250,000 sheets a day before the end of the fiscal year?

Mr. RALPH. I think that next year the Treasurer will want that number. The demand for clean money is becoming universal and the people are insisting upon it and, I think, the Treasurer will testify that he is unable to meet the demands, because the money has been coming in so rapidly.

Mr. KEIFER. And sometimes it is sent in when it should not be.

Mr. RALPH. Recently the Secretary has instituted a new method of making redemptions at the subtreasuries in place of at Washing-

ton—everywhere except at San Francisco. The money is redeemed at the subtreasury and canceled there, and I think there is a saving of about \$70,000 a year or more in expressage. They send the mutilated money to Washington by registered mail.

The CHAIRMAN. Will you state the terms upon which redemptions are made?

Mr. KEIFER. What you want is the character of money that is redeemed.

The CHAIRMAN. Suppose that I have \$50,000 or \$100,000 of silver certificates or gold certificates of \$50 each, and they are in a very good state of preservation, but I want to exchange them for \$20 notes, is the Treasury Department obliged to receive the \$100,000 in \$50 notes and then issue \$20 notes in lieu of the \$50 notes, regardless of their condition?

Mr. McCLUNG. We substitute simply as a matter of accommodation when we are in a position to do so, but when there is submitted a great deal of paper money, some of which is fit and some of which is unfit, we then separate it and use over again the fit and destroy the unfit.

Mr. KEIFER. Does that apply to national-bank notes?

Mr. McCLUNG. Yes, sir.

Mr. DAWSON. That is the largest part of the redemptions?

Mr. McCLUNG. No, sir; the United States notes form the largest part.

The CHAIRMAN. Do you issue new notes only in lieu of notes that are unfit for circulation?

Mr. McCLUNG. Yes, sir; but you understand in connection with this present application of Mr. Ralph's that it is based on this; that when there is submitted, we will say, a \$20 bill and the man or the bank wants four \$5 notes or wants two \$10 notes it necessitates the use of so much more paper.

Mr. LIVINGSTON. And the increased use of paper is paid for by the Government?

Mr. McCLUNG. Yes, sir.

Mr. RALPH. It costs just as much to print a \$1 note as a note of larger denomination.

Mr. LIVINGSTON. It seems to me that you should make some arrangement so that the parties asking for the \$1 bills instead of the \$20 bill should pay the extra expense of the paper.

Mr. KEIFER. That is covered by law?

Mr. McCLUNG. Yes, sir. Within the last two years there has been a tendency toward the increased use of smaller notes, particularly, ones, twos, and fives, and our increase has been very appreciable. Of course, as I understand it, we are in existence for meeting the demands of the public, and when the public demand is for the smaller denominations we should be in a position to supply the demand.

Mr. LIVINGSTON. Could that be remedied to any extent by recoinage the silver and putting it into tens, quarters, and halves?

Mr. McCLUNG. No, sir; I think not. Of course, there is now necessity for a very nice adjustment between the different kinds of money because of the laws governing the issue of gold certificates, silver certificates, and United States notes, and particularly during the fall season, when there is this very large demand, we have to worry a good deal in order to adjust these different kinds of our limited stock of

money to meet the requirements. For instance, last fall, we will say, when we had a very heavy demand for ones and twos, which are entirely in silver certificates, and when we had practically no "free silver," as we call it, which means silver dollars against which there were no outstanding certificates available to issue new certificates of ones and twos, and therefore the ones and twos were practically limited to the redemption of silver certificates. So if a man or bank should bring in \$1,000 of silver certificates we could then give him \$1,000 in smaller denominations, but if the \$1,000 was in gold certificates, and if we had no "free silver" against which to issue silver certificates, then we could not give him the ones and twos that he wished. That is why it requires this nice adjustment as between the different kinds of money.

Mr. KEIFER. Is it not a fact that they use the ones, twos, and fives more than the larger bills and that more of the smaller notes come in mutilated than any others?

Mr. McCLUNG. Yes, sir.

Mr. RALPH. About 75 per cent. Profiting by experience, you notice that I do not ask for any deficiency on materials and miscellaneous expense. Although I had a deficit during the seven months of \$346, I expect to get through without asking for an appropriation.

REIMBURSEMENT OF TREASURER OF THE UNITED STATES.

The CHAIRMAN. On page 6, Mr. McClung, we have an item in which you are interested:

To reimburse the Treasurer of the United States for the loss which occurred in his office on January 11, 1911, without negligence or fault on his part, \$1,000.40.

Mr. McCLUNG. Yes, sir.

The CHAIRMAN. Will you please state the circumstances of that loss?

Mr. McCLUNG. Yes, sir. The practice in the Redemption Division of the Treasurer's office in the distribution of redeemed packages has been that packages would be taken from the "pen," as we call it, by the individual counters, who would in each instance give a receipt for the package taken before counting and checking up and detecting counterfeits, and all that sort of thing. During the last year the volume of business has been so great that in the operation of that office there has been a tendency to expedite business and to do it at the sacrifice of protection; not intentionally, however. Recently the practice has been that instead of having the individual counters come to the "pen" for the purpose of taking the express packages, the counters would remain at their desks and these packages would be delivered to them so that they could begin their day's work at or before 9 o'clock in the morning and save the time which heretofore it had taken for the counters to go to the "pen," get the packages, receipt for them, and go back to their desks before beginning work. Under this arrangement when the packages were delivered to the individual counters, instead of getting a receipt right then they did, for expedition, make deliveries all down through the rooms and then come back and get the receipts, and if not given a receipt at that time they would then wait for the counters to turn back their packages at the "pen" and thus clear their accounts. On January 11,

1911, when the day's accounts were checked up there was missing one package which had been received from a bank and which purported to contain \$1,000.40.

Mr. KEIFER. \$1,040.40?

Mr. McCLUNG. I think that is an error. Every effort was made to trace that package, and the Secret Service people were called to our assistance immediately, and they have been diligently on the task ever since, but we have not been able as yet to in any wise get a clew that has been of assistance to us. Immediately, when this error was discovered, I gave instructions that hereafter the original plan must be maintained, which was that the counters would themselves go back to the practice of getting their money at the "pen" and immediately there receipting for the packages.

The facilities are wholly inadequate in the Redemption Division, but as you know, there are plans being made now for a rearrangement of many of the offices in the Treasury Building, and we hope that we will have the facilities improved and increased to such an extent that we will work under favorable conditions and not under unfavorable conditions as we are now working.

Mr. KEIFER. Are you sure that the package reached the department?

Mr. McCLUNG. Yes, sir; because we know the bank that sent it and we had to make good to the bank. I suppose really the wonder is that errors have not occurred before and that this particular loss was for not more than \$1,000. As I understand, the Treasurer is charged with this amount and will be charged with it until he is relieved by Congress.

The CHAIRMAN. Are any of the counters in the Redemption Division bonded?

Mr. McCLUNG. No, sir.

The CHAIRMAN. Do you have anything whatever to do with their appointment?

Mr. McCLUNG. No, sir.

The CHAIRMAN. How are they appointed?

Mr. McCLUNG. When there is a vacancy we apply to the Secretary of the Treasury for transfer of an employee from the Bureau of Engraving and Printing, or to the Civil Service Commission, which presents three names.

The CHAIRMAN. They present the first three names on the eligible list?

Mr. McCLUNG. I do not know.

The CHAIRMAN. But they furnish you with three names?

Mr. McCLUNG. Yes, sir. I do not know that you quite understand, but I know the chairman understands, because I have told him several times about it, that the Treasurer of the United States is the only officer or employee in the Treasurer's office who is bonded and he is pretty nearly the only officer in the Treasurer's office who does not handle money.

Mr. KEIFER. The bonding of all these people, those who deliver the money and those who count it, would not have been of a particle of good in this case?

Mr. McCLUNG. No, sir; because we could not identify the guilty party, but as I understand there are bonds which are of a blanket nature and which would protect the Government in a case of this sort.

Mr. KEIFER. That might be.

Mr. McCLUNG. Yes, sir. The Treasurer's bond is executed for the same amount that was authorized by Congress in 1789 and the statute as passed at that time is the statute that applies now, and the Treasurer at that time doubtless appointed his own little office force and doubtless himself handled money. The statute provides that he shall give bond and be responsible for the faithful performance and honesty of all employees employed by him.

Mr. LIVINGSTON. These people are not bonded?

Mr. McCLUNG. No, sir; and whether there would be a technical loophole I do not know, but certainly the law as it applies to it is not right, and it has been a matter that I have very seriously considered and talked about with the chairman, and the Solicitor of the Treasury, and the Secretary of the Treasury, and a good many other officials.

The CHAIRMAN. If the employees in the Redemption Division, the counters, were bonded to the United States and had contributed or paid into the Treasury to the credit of the fidelity fund, then a loss like this occurring could be charged to that fund?

Mr. McCLUNG. Yes, sir.

The CHAIRMAN. And the Government thereby reimbursed for the loss?

Mr. McCLUNG. Yes, sir.

The CHAIRMAN. And in that case the Government would be protected?

Mr. McCLUNG. Yes, sir.

The CHAIRMAN. Whereas, if all of the employees were bonded by corporate surety bonds the Government could not recover, because it would not know which particular employee was responsible for the loss?

Mr. McCLUNG. Yes, sir.

The CHAIRMAN. And therefore it could not proceed against the surety for the reason that it did not know which one of the principals which gave the bond was responsible for the loss?

Mr. McCLUNG. Yes, sir. Of course, under the present arrangement of bonding in the Treasurer's office the United States Government is not protected because the United States Government would never be unfair to the Treasurer, and yet he is the only one who is bonded.

Mr. KEIFER. How many counters and deliverers of packages have you in the Treasurer's office?

Mr. McCLUNG. Offhand, I should say about 400.

UNAVAILABLE FUNDS.

The CHAIRMAN. You also have submitted a request to Congress to authorize you to treat the item carried in your annual report as an unavailable balance of something over \$1,000,000 as we have treated the item of \$28,000,000 paid to the States back in 1834, but which has been heretofore carried as an unavailable balance?

Mr. McCLUNG. Yes, sir; charged against the Treasurer of the United States.

The CHAIRMAN. The \$28,000,000 is no longer carried on the books?

Mr. McCLUNG. Not charged against the Treasurer.

The CHAIRMAN. You secured authority at the last session of Congress to take that out of your account?

Mr. McCLUNG. Yes, sir; and have the charge made directly against the States themselves.

The CHAIRMAN. How would you treat this unavailable balance of over \$1,000,000?

Mr. McCLUNG. The unavailable balance amounts to about \$1,500,000, and consists mostly of defalcations years and years ago in mints and assay offices and the failure of national bank depositories. Of course efforts have been made during the past to collect those amounts, but without success and the amount has been carried as an asset termed "unavailable funds" in the Treasurer's accounts ever since and, of course, rightly, I think. The charge is not a proper one against the Treasurer, and he should be relieved, and if he is relieved then of course there is no less protection to the United States Government for the reason that it still has its claims directly against those individuals or the banks that have failed. It seems to me only fair that the Treasurer should be relieved of these items.

Mr. KEIFER. That amount changes all the time; they collect some from time to time?

Mr. McCLUNG. I think it is quite awhile since they collected anything on these items here.

The CHAIRMAN. It would not relieve any of the parties?

Mr. McCLUNG. No, sir. As you understand from what Mr. Tawney said, prior to a year ago there was also charged to the Treasurer the \$28,000,000 deposited by the United States Government with various States back in Jackson's time, in 1837.

Mr. KEIFER. And there is no provision for collecting?

Mr. McCLUNG. No, sir.

The CHAIRMAN. The provision which has been recommended is as follows:

That the proper accounting officers of the Treasury Department be, and they are hereby, authorized and directed to examine and state an account of the items of unavailable funds, as set forth in House Document No. 721, and to credit the general account of the Treasurer of the United States with the amount thereof: *Provided*, That the credit herein authorized shall be made in such manner as to debit the individual or depositary chargeable therewith upon the books of the Treasury Department: *Provided further*, That upon the recovery or payment of any part of said unavailable funds, the same shall be deposited in the Treasury in such manner as to debit the Treasurer of the United States in his general account and to credit the individual or depositary charged therewith upon the books of the Treasury Department.

Will that language accomplish what you wish?

Mr. McCLUNG. Yes, sir; I think so.

The CHAIRMAN. That language would relieve the Treasurer from the necessity of carrying this item as an asset?

Mr. McCLUNG. Yes, sir.

The CHAIRMAN. And would also retain the right in the Government to proceed against the individuals just as though this credit had not been given to the Secretary of the Treasury?

Mr. McCLUNG. Yes, sir; exactly.

PUBLIC BUILDINGS.

STATEMENT OF MR. JAMES K. TAYLOR, SUPERVISING ARCHITECT,
TREASURY DEPARTMENT.

TREASURY BUILDING.

The CHAIRMAN. Your first item is: "Treasury Building, Washington, special repairs." Your appropriation for that purpose for this fiscal year was \$180,000. What changes have you made which necessitate an appropriation of \$48,468 more in order to complete the work?

Mr. TAYLOR. There were certain items that I have named here that came up in the course of the alterations as they do in the alterations of any old building. For instance, when they moved the library from one place to another they had to accommodate a certain portion of the library that was thought would be entirely eliminated. They found that they could not do away with all the books and they had to have a place to put them. The fitting up of the library and the shelving for the same—modern steel shelving—amounted to \$4,495. Then in the course of the modification of the building it became necessary to rearrange the fire-alarm system, which is the protection against fire in the files room and which had become by long usage unreliable. That was an expense of \$550. Then in order to place the shipping department in the sub-basement and to receive and deliver all goods on Government property, instead of on Fifteenth Street, such modifications of the driveway, the incline that goes down from the street to the level of the sub-basement, had to be made, and to change the vaults and scales there. That was an expense of \$2,500.

The shipping business was found to be more extensive than they had formerly thought it was and so they had to use certain of the rooms in the sub-basement for shipping purposes that were originally intended for the files, and they took the north coal vaults outside the building and remodeled them into file rooms in order to accommodate the files that they had stored in the rooms that they afterwards had to use for the shipping business. The cost of shelving has added to it. The Secretary decided that it should be a modern files room, with steel file cases, and all that sort of thing, and by the way, incidentally, I was told by the men who had charge of it that it is the cheapest and the best piece of files work in the city of Washington. That was an expense of \$9,613. The next item was the cage and counter work for the money-handling divisions. You have just heard Mr. McClung speak with reference to a certain loss because of the lack of facilities for counting and lack of protection during the counting. They are now providing cages and counters for each individual counter so that the money can not be gotten out. The two items in the money-handling divisions of the Treasury direct and the same work for the money-handling divisions of the National Bank Redemption Agency cause an expense of \$10,710.

Then they required a canceling machine for the Loans and Currency, which caused an expense of \$200. The fire-alarm system had to be remodeled when they cut into it in various places, as well as

the alarm bells from the watchmen's doors to the different portions of the building. They moved the entrance from the center on the east side of the building to the north entrance, or to the south, I do not remember which it will be eventually, but it will be one of those two doors, and that required all the alarm bells and all the fire-alarm registering machines, and all that sort of thing, to be removed from the east entrance, which is now to be filled with elevators, to some other point in the building; that was at a cost of \$335. Then the Treasurer objected to the vaults being absolutely unprotected by anything except the watch service, and it was necessary to electrically protect all those vaults; that caused an expense of \$15,220. Then it was found there was something like between fifteen or twenty million dollars that was carried around in the Treasury Department in small safes, nothing more than fireproof, and in all sorts of unprotected ways; so the Secretary wished to have that all protected, and he directed that they should install certain large vaults that would take the place of the small safes. These vaults are nothing more than reenforced concrete construction and of small dimension, but they were further protected by this electrical device; that comes under the previous item of \$15,220, but the concrete work and the building of the vaults cost \$4,345, or a total of \$48,468.

The CHAIRMAN. None of these items were contemplated or included in the estimates?

Mr. TAYLOR. None at all.

The CHAIRMAN. When the \$180,000 was estimated for?

Mr. TAYLOR. None at all. They all have arisen during the carrying out of that work; the necessity for them did not appear at the time that that \$180,000 estimate was made.

The CHAIRMAN. And these repairs were made necessary by reason of those that were authorized a year ago?

Mr. TAYLOR. Yes.

The CHAIRMAN. And will have to be made now in the event that this appropriation is made?

Mr. TAYLOR. Yes.

PARIS, ILL., POST OFFICE.

The CHAIRMAN. The next item is "Paris, Illinois, post office: For additional amount required to complete the building, due to the abrogation of the contract for construction and the failure of the surety company on the contractor's bond, \$15,000, or so much thereof as may be necessary." What is the limit of cost of that building?

Mr. COURTS. \$90,000.

Mr. TAYLOR. The limit of cost was \$90,000, and this is needed because the limit of cost will be exceeded and for this reason: The ground was purchased, the contract was awarded, and after the building was, I should say, about 40 per cent completed the contractor failed. As a usual thing the department would have the bonding company to fall back on, but in this case no sooner did the contractor fail than the bonding company failed. There is in the neighborhood of \$50,000 (\$49,812.97) available. The department was forced to readvertise the work, the figures for which will be received in a very short time now, and will have to let an entirely new contract, and it is not believed that the 60 per cent that is unfinished can be com-

pleted within the balance that we have remaining, and that \$15,000 additional will be required or a portion of it. I do not know that it will all be necessary, but there will be a good portion of it that will be necessary to complete that building.

The CHAIRMAN. What was the amount of the bond—what was the penalty of the bond?

Mr. TAYLOR. The amount of the bond was 50 per cent of the contract. I think the contract is in the neighborhood of something like \$75,000.

The CHAIRMAN. So if the bonding company had been solvent the Government would not have lost?

Mr. TAYLOR. Not a cent.

The CHAIRMAN. And there would have been no necessity for this additional appropriation?

Mr. TAYLOR. None at all; it is one of the very few cases that I know of—not more than three—in the 12 or 13 years that I know of the work where the bonding company has failed.

The CHAIRMAN. What was the name of this bonding company?

Mr. TAYLOR. The contractor was bonded by—

VAULTS, SAFES, AND LOCKS FOR PUBLIC BUILDINGS.

The CHAIRMAN. The next item is "Vaults, safes, and locks for public buildings, \$25,000." Your appropriation is \$60,000, and you estimate \$25,000 additional?

Mr. TAYLOR. Yes, sir.

The CHAIRMAN. Making your total appropriation for this year \$90,000?

Mr. TAYLOR. We estimated \$90,000; that is, at least sent in an estimate of \$90,000, and it was arbitrarily cut. Instead of giving us the extra \$20,000 over what we had (\$70,000) it was cut to \$60,000, but is now estimated that the work can be carried out for \$25,000 or \$5,000 less than was believed to be required when the first statement was made to the department at the time the estimates were made up.

The CHAIRMAN. Where was it arbitrarily cut; here?

Mr. TAYLOR. No; not here, but in the department. And, Mr. Chairman, if you will remember, I told you we would probably have to come for a deficiency in that.

The CHAIRMAN. Well, does this deficiency arise because of new buildings going into commission?

Mr. TAYLOR. Altogether to supply vaults, safes, and locks for new public buildings.

The CHAIRMAN. What would happen if you did not get this?

Mr. TAYLOR. Something like 40 or 50 buildings, which will be completed and occupied before the 1st of July, would have to go without safe equipment.

The CHAIRMAN. Until your annual appropriation for this purpose became available?

Mr. TAYLOR. Yes.

The CHAIRMAN. Well, your appropriation for the next year would be too small.

Mr. TAYLOR. It would be just twice too small, yes; it would be just double this deficiency next year.

HEATING APPARATUS FOR PUBLIC BUILDINGS.

The CHAIRMAN. The next item is "Heating apparatus for public buildings: To pay the balance due the Chisholm Co., under its contract dated February 1, 1908, for heating apparatus supplied for the post office and courthouse at Trenton, N. J., \$1,676.55." Has this item been estimated for before?

Mr. TAYLOR. No; I do not think it ever has been. It was never definitely settled just what it was until this year. I do not think it has ever been estimated for. The work was delayed and it was not completed until after the appropriation lapsed by the expiration of the fiscal year; consequently we could not pay it.

The CHAIRMAN. And this is to pay the balance due under the contract, is it?

Mr. TAYLOR. Yes; the balance due under the contract.

The CHAIRMAN. And the person to whom this is due would have a valid claim against the Government in the Court of Claims?

Mr. TAYLOR. He would. It says in the letter of the Secretary that the work has been carried out to the satisfaction of the department, and that this amount is properly chargeable to a fund that had ceased to be available.

BALANCE DUE KINNISON BROS.

The CHAIRMAN. The next item is "To pay the balance due Kinnison Brothers, under their contract dated January 7, 1908, for heating apparatus supplied for the post office and courthouse at Fort Worth, Texas, \$973.37."

Mr. TAYLOR. That is practically the same sort of thing; that is exactly the same sort of a thing, where the contract ran over the fiscal year and the annual appropriation lapsed by—

The CHAIRMAN. Reason of the contract not being completed in the year for which the appropriation was made?

Mr. TAYLOR. Yes.

MECHANICAL EQUIPMENT FOR PUBLIC BUILDINGS.

The CHAIRMAN. The next item is "Mechanical equipment for public buildings."

Mr. TAYLOR. That is simply for authority to pay.

The CHAIRMAN. That is for authority to pay certain items on page 5 of the deficiency estimates: Avery Hardware & Supply Co., \$9.40; James J. Barrett, \$73.60; William Curry's Sons Co., \$8.25; The Curtis Plumbing Co., \$5.85; The Durolithic Co., \$8; William Ernst, \$68.32; John Ouderkirk, \$500; and Walworth Construction & Supply Co., \$0.50, a total of \$673.92. That is the total you are asking authority to pay?

Mr. TAYLOR. Yes, sir.

The CHAIRMAN. In this paragraph?

Mr. TAYLOR. Yes.

The CHAIRMAN. What does this item of John Ouderkirk, \$500, represent—what was that for?

Mr. TAYLOR. With reference to claim of John Ouderkirk, of Honolulu, Hawaii, it may be stated that the work which involved the

taking down of 3 water tanks and reerecting them in new locations, and also the taking down of the water-tank tower and reerecting in new location was absolutely necessary, for the reason that the old foundation under the tank tower gave away, and it was necessary to remove both the tower and tank in order to prevent them from falling into the sea.

The work done was entirely of an emergency character and was authorized by cablegram from the department, under date of March 10, 1910, and no time was available, in view of the fact that it was necessary to take immediate action to prevent the public property from being destroyed, to call for bids or to secure competition in connection with the work.

The amount of the bill was considered reasonable by both the passed assistant surgeon in charge of the quarantine station and the mechanical engineers of this office.

The CHAIRMAN. What are these items generally for?

Mr. TAYLOR. They are expenditures incurred under exigencies at these different marine hospitals, absolutely necessary work, and the custodian failed to send in before the amount allotted to marine hospitals out of our appropriation had been expended. The allotment, as you will remember, I think, is \$100,000, or something like that, that should be paid or expended on marine hospitals, and in this case the allotment had already been spent, so that, although we had the money to pay it, we had not the authority to pay it.

GENERAL EXPENSES OF PUBLIC BUILDINGS.

The CHAIRMAN. The next item is "General expenses of public buildings: To enable the Secretary of the Treasury to execute and carry into effect the provisions of section 6 of the act of May 30, 1908 (35 Stat., p. 537, pt. 1), and under the limitations and provisions thereof, \$85,000." Your annual appropriation for this year for this service was \$800,000. How does this deficiency arise?

Mr. TAYLOR. Because that sum was not enough to carry on the work for the fiscal year. As was stated to the committee in the department which revised these estimates last year, under that section, section 6, the limit, or, as you might call it, the gauge on which the amount of this appropriation is to be based, would be that it should not cost 6 per cent of the money expended under the contract during the year.

The CHAIRMAN. What did it amount to, that is, what did the expenditure amount to?

Mr. TAYLOR. The actual expenditures last year amounted to \$18,410,906.22.

The CHAIRMAN. What per cent would that be?

Mr. TAYLOR. Six per cent of that would give very close to \$1,100,000.

The CHAIRMAN. This is below it.

Mr. TAYLOR. Very much below it. Now, during this year the expenditures will be greater; they will run at least \$20,000,000, and that would be \$1,200,000 instead of \$800,000. Last year the office started with \$800,000 and the committee, on that same basis, raised it to \$1,100,000 by a deficiency appropriation; this year the department is only asking for \$85,000, so that it would not be anywhere near that.

But I have the authority to say for the Secretary in this regard that he reduced that deficiency from \$100,000 to \$85,000 under a misunderstanding, and I have authority to say to you gentlemen that it should be \$100,000. He reduced it \$15,000 for what he thought was additional superintendents; in other words, he thought we were going ahead of his schedule in the office and carrying out more buildings than he had set the gauge for, which is not so. As was explained to him to-day, on the \$800,000 fixed for this year, all the allotments for the different portions of the work were cut down, each one of them was reduced, and the limitation for the payment of superintendents was reduced from \$275,000 to \$240,000. It is found that we can not carry on the work with that amount; we must have that extra \$15,000 in order to keep the superintendents that we now have, and add such few others as will be required to cover the buildings that will be put under contract from now until the 1st of July.

The CHAIRMAN. Fifteen thousand dollars is what you need in addition to the \$85,000 which you are asking for?

Mr. TAYLOR. Yes, sir.

The CHAIRMAN. Will it be necessary to change the language?

Mr. TAYLOR. Yes; there is one paragraph that must be added in that regard, and it ought to be added anyway, whether the \$15,000 is given or not. "and the limitation in said act for superintendents of construction, and so forth, is hereby increased from \$240,000 to \$255,000." In other words, the apportionment is changed, or ought to be changed, whether you gentlemen give us the \$15,000 or not; those words ought to be inserted, because we can not pay more than \$240,000 under any circumstances, and we will have to pay more; in fact, we are running over.

Mr. KEIFER. What is the wording?

Mr. TAYLOR. "And the limitation in said act for superintendents of construction, and so forth, is hereby increased from \$240,000 to \$255,000."

The CHAIRMAN. Why not say "is hereby fixed at 255"?

Mr. TAYLOR. Well, that would be all right.

The CHAIRMAN. Why do you say "and so forth"?

Mr. TAYLOR. There is no need of those words; they were used simply to indicate that there was more of the act than was here quoted. If you read the changes in the act, it will show what is meant.

Mr. KEIFER. You had better say "and other purposes."

Mr. TAYLOR. I do not think either wording is necessary.

The CHAIRMAN. Well, you had better say "and other purposes." "And so forth" does not mean anything.

Mr. TAYLOR. Well, that is simply a quotation from the act.

Mr. KEIFER. It suggests that something more is needed, but it does not provide for it.

The CHAIRMAN. Two hundred and fifty-five you say?

Mr. TAYLOR. Two hundred and fifty-five.

TO PAY CLERK OF THE COUNTY COURT, MASON COUNTY, KY.

The CHAIRMAN. The next item is "to enable the Secretary of the Treasury to pay to the clerk of the county court of Mason County, Ky., the cost of taking an acknowledgement, together with certificate and seal," etc.

Mr. TAYLOR. There is no appropriation attached to any of these; it is simply authority to pay.

SPRINKLING STREETS, PORTLAND, ME.

The CHAIRMAN. The next item is "authority is hereby granted the Secretary of the Treasury to pay from the appropriation for 'General expenses of public buildings, 1910,' the sum of \$15.65 to the city of Portland, Me., for sprinkling streets around the site acquired for the new courthouse building in that city." Do we sprinkle streets around our public buildings?

Mr. TAYLOR. Yes; if we make a contract for it. This item went over because there was a failure to make the prior written agreement to do that; so the accounting officers would not pass the bill.

The CHAIRMAN. How does the city of Portland collect the money for the sprinkling of the streets there? Is it levied against the adjacent property?

Mr. TAYLOR. Yes; I suppose they do; I do not know.

The CHAIRMAN. Do they tax the Government of the United States?

Mr. TAYLOR. No; they do not tax the Government of the United States; they can not do that. The only way they can get it is that we have the right, under the general expense act, to provide for that.

The CHAIRMAN. This amount is not due under a contract with the city of Portland, is it?

Mr. TAYLOR. No; that is just the reason why it can not be paid; it could be paid from general expenses if we had made a prior written agreement with them to sprinkle those streets; that authority is in the general expense act, but there was no prior written agreement; consequently it never can be paid; the accounting officers won't pass it.

PAYMENT TO THE WEBSTER PRESS.

The CHAIRMAN. The next item is "Authority is hereby granted the Secretary of the Treasury to pay from the appropriation for 'General expenses of public buildings, 1910,' the sum of \$1.50 to The Webster Press (Incorporated), of Webster, Massachusetts, for publishing advertisement, in July, 1906, covering proposals for sale of land as a public building site in said city."

Mr. TAYLOR. This publisher forgot to present his bill until by action of law the balance of the appropriation for the site at that place was turned in and covered into the Treasury; the balance was \$85.89. It is authorized by the Department, and is—

Mr. KEIFER. It would have been paid if it had come in?

Mr. TAYLOR. Yes; if he had presented it.

Mr. KEIFER. And paid out of that \$85?

Mr. TAYLOR. Yes, sir.

PAYMENT TO THE NEW LONDON DAILY GLOBE.

The CHAIRMAN. The next item is "Authority is hereby granted the Secretary of the Treasury to pay from the appropriation for 'General expenses of public buildings, 1911,' the sum of \$8.13 to The New London Daily Globe, and the sum of \$7.50 to Telegraph Publishing Company (publishers, The New London Telegraph), for advertising

for bids for alterations, painting, and so forth, at the United States customhouse, New London, Connecticut." Why was that not paid?

Mr. TAYLOR. The custodian at that town misinterpreted his instructions. What the letter directed him to do was to obtain bids by circular letters, and not by advertisements, but he understood it to be by advertisement, and so placed this advertisement in these papers, and it could not be paid because we had no authority to advertise in that way.

FURNITURE AND REPAIRS OF SAME FOR PUBLIC BUILDINGS.

The CHAIRMAN. The next item is "Furniture and repairs of same for public buildings, \$180,000." Your appropriation for the current fiscal year is \$700,000. How much of it remains unexpended?

Mr. TAYLOR. About 30 per cent of it.

The CHAIRMAN. You have about \$210,000 that remains unexpended?

Mr. TAYLOR. About \$210,000 that remains unexpended. In a minute I can tell you exactly, I think. The note in that case says:

When the estimates were originally prepared for 1911, it was thought that \$900,000 would be needed to supply furniture for both new and old buildings during the year. These estimates were reduced by the department to \$700,000, which amount was appropriated by Congress, \$450,000 for new buildings and \$250,000 for old buildings. Forty new buildings so far have been equipped during the current year, and the records now show that 45 additional buildings, exclusive of the large buildings at St. Louis, Houston, Detroit, and Columbus, will be ready to receive equipment and must be furnished before July 1 next. It is estimated that \$150,000 will be required to complete the furniture equipment for the new buildings at the points named, and for the other 45 new buildings the sum of \$225,000 will be necessary, making a total of \$375,000. The amount now available on the current appropriation for new buildings is \$195,000, leaving a balance of \$180,000, to be provided as stated above. This additional amount, together with the appropriation for the current year, will make a total of \$880,000, a reduction of \$20,000 from the amount originally thought to be necessary.

That sum will be about \$70,000 below what was granted last year. No; it is more than that.

The CHAIRMAN. How much—\$900,000?

Mr. TAYLOR. Yes; it is over \$100,000 less.

The CHAIRMAN. Then this deficiency arose from supplying new buildings with furniture and equipment?

Mr. TAYLOR. Yes.

FUEL, LIGHTS, AND WATER FOR PUBLIC BUILDINGS.

The CHAIRMAN. The next item is "Fuel, lights, and water for public buildings," for which you ask for authority to pay from the appropriation for "Fuel, lights, and water for public buildings, 1909, the sum of \$10.77 to the Manhattan Electrical Supply Company, of New York City, for five electric light portables complete, including shades and wiring, furnished January 6, 1905, for use in the United States post office at Saginaw, Michigan." Out of what appropriation will you pay this? Out of what year, I mean?

Mr. TAYLOR. Pay it from this year, probably.

The CHAIRMAN. The year of 1911?

Mr. TAYLOR. "To pay from the appropriation for 'Fuel, lights, and water for public buildings, 1909.'" That is last year's appropriation.

The CHAIRMAN. Last year's appropriation, 1910?

Mr. TAYLOR. Yes—well, it is two years ago.

The CHAIRMAN. Was there any balance in the 1909 appropriation out of which you could pay this?

Mr. TAYLOR. There remains a small balance in that appropriation available from which this will be paid. This is an old account that came up to us from the chief clerk, and I have not looked into it very carefully.

CUSTOMS SERVICE.

STATEMENT OF MR. JAMES E. CURTIS, ASSISTANT SECRETARY OF THE TREASURY.

The CHAIRMAN. On page 24 there is the item:

To defray the expenses of collecting the revenue from customs, being additional to the permanent appropriation for this purpose for the fiscal year ending June 30, 1911, \$500,000.

You will need that amount. Will you, during the remainder of this fiscal year to enable you to collect the customs revenues?

Mr. CURTIS. Yes, sir; I think, without any doubt, we will.

The CHAIRMAN. What is the amount available during this fiscal year under the permanent appropriation and appropriations heretofore made for this service?

Mr. CURTIS. \$10,500,000. This will make it \$11,000,000.

The CHAIRMAN. This will make the aggregate \$11,000,000?

Mr. CURTIS. Yes, sir. The advances on estimates from this appropriation from the 1st of last July to December 31, inclusive, were \$5,490,981.31. I have had some very careful figures made of the comparative expense of the first six months of each fiscal year and the second six months, and I find that the expenses under this appropriation are more in the second half of the year than in the first half of the year, which, I think, is explained by the fact that as far back as my inquiries have gone, five or six years, the customs appropriation has increased steadily every year, and consequently I have a little more than doubled in this estimate the amount spent during the first half year which, doubled, would make \$10,980,000. I have had two committees, have them now, at work trying to discover why the customs appropriation increases so rapidly. It is true that it does.

The CHAIRMAN. Is it because of the increased cost of collecting the revenues? Have you a committee at work to ascertain wherein that increased cost occurs?

Mr. CURTIS. That is what I mean by the appropriation. I meant the expenses. I have had analyzed the increases since a year ago and they show very largely at the port of New York. I think we are doing the work better this year, which accounts for part of the increase. Another thing is that the Ambrose Channel was completed last spring and at the time that was completed various trans-Atlantic steamship companies had a meeting with Mr. Loeb, the Immigration

Commissioner, and myself at New York. The steamship representatives all demanded that we should have a day and night port, that they be permitted to bring the ships up to the docks at any time during the day or night, and that we have inspectors and appraisers' examiners there to pass the baggage. We tried to persuade them to make some limit of 9 o'clock at night or 10 o'clock at night, but they said that they felt they were entitled to bring the ships up when most advantageous, and that it was safer to bring them up at night than in the daytime, because, with their powerful searchlights, they saw everything on the water, and that there were not half as many vessels to hit.

After discussing the matter with the Secretary he decided that it was proper to make New York an all-night port. We thereupon gave Mr. Loeb instructions to increase his force of inspectors by 75, in groups of 25, as he found it necessary. He found that he could get along with one increase of 25, which we gave him last May, and that added \$34,260 right off to the expense of the port there. We also had to give the appraiser more men in order that he could have his men on the docks to pass the baggage. We gave him three new examiners at \$1,800 each, 5,400. That was in June.

Then, we have increased the number of watchmen. When Mr. Loeb went in he found a very poor system of guarding the tremendous property on the docks throughout the length of the city at night, and we gave him 24 extra watchmen last year at \$840 each, which amounted to \$20,160. We also gave him 14 assistant weighers. You will remember that the assistant weigher's force was the force around which the frauds in New York centered. We had to dismiss a great many of those men and, also, to see that it was well done, we had to have more men, so we added 14 assistant weighers at \$4 a day, which added \$20,440. We also increased the compensation of various storekeepers.

The CHAIRMAN. Is that the annual increase?

Mr. CURTIS. Yes, sir. The storekeepers salaries were increased \$200. We felt that they had been underpaid. Those are the men who are in the various bonded warehouses. Their expenses are payable by the persons who own the warehouses, that money going into the general miscellaneous receipt fund of the Treasury. Thus while the Government is reimbursed, the original payments are made out of the customs appropriation so that it makes our expenses there appear so much larger.

We add \$180,000 to last year's expenses. I have here the items of the different increases for the various ports. I do not know that there is much more to add unless the committee desires to ask me questions. I regret this increase. It is an increase of \$180,000 over last year.

The CHAIRMAN. At the port of New York?

Mr. CURTIS. No, sir; for the whole country.

The CHAIRMAN. You have almost that amount at the port of New York.

Mr. CURTIS. We have over \$100,000 at the port of New York, yes, sir. Last year we had appropriated in the permanent, annual, and deficiency \$10,750,000 and you remember that I asked in the urgent deficiency for \$70,000, the amount we had overrun for the last fiscal

year, which will make \$10,820,000 for last year, and this is an increase of \$180,000 over that, which is less of an increase than has been the normal increase from year to year in these expenses under this appropriation for the last four or five years.

The CHAIRMAN. Then, if the all-night service had not been established at the port of New York, your expenses for this fiscal year would not have been as great as for the last fiscal year?

Mr. CURTIS. No, not quite that; but a very large part of it is in the all-night work there. Of course, we started that at the end of the last fiscal year. We gave them the inspectors and examiners in May and June, so that practically the whole of it comes into this year and not more than a month and a few days came out of last year's appropriation.

ABOLITION OF SUPPORTS OF ENTRY.

The CHAIRMAN. Mr. Curtis, how much could be saved the Government of the United States by abolishing ports and supports of entry where the expense of maintaining such ports is greater than the revenue collected?

Mr. CURTIS. Well, if you just abolished them and did not have anything to take their places, with respect to smuggling and the prevention of frauds, several hundred thousand dollars a year, but I have not the exact figures. There are 44 ports that do not sustain themselves; that is, 44 collection districts out of 124 that do not sustain themselves. As you know, Mr. Chairman, we have tried for a long time to get them abolished and get them consolidated. If we could get the same authority that the President has to make internal-revenue districts I think we could reduce this cost of collection very considerably. The President has authority under the present law to consolidate internal-revenue districts as the needs of collecting the revenues require, and he has from time to time, as I understand it, consolidated them, so that their districts are on what might be called a business basis and ours are not.

The CHAIRMAN. There are 44 collection districts which are not self-sustaining?

Mr. CURTIS. Yes, sir; and if these were consolidated and the Secretary authorized to station men only at the places he deemed necessary, the department could save, I think, a minimum of \$30,000 per annum. Of course there would be far greater savings if the whole country could be redistricted.

Mr. KEIFER. What do you think has been the increase of collections from duties this year over last year; have they been much greater?

Mr. CURTIS. No, sir; last year was, I think, the banner year with respect to import duties. We collected \$333,683,445, and we estimate for this year \$320,000,000. I think we will get about \$2,000,000 more than that estimate, as far as you can see as the thing runs along month by month. Last year, of course, included several extra large months on account of the different tariff matters that came up in connection with the passage and various provisions of the Payne bill. July was a very heavy month, for example, on account of the uncertainty as to the new tariff rates; then October was another heavy month when some of the treaties expired. March was a very large month, because a great many imports came in when there was some

question as to the maximum and minimum clauses being applied. So with the exception of July, October, and March, each of which was large for some specific reason you could put your finger on, last year was practically the same as this year. We run along month by month approximately the same, but, as I say, the cost of collection has gone up. The cost per dollar collected has increased this year over last year; that is, if our estimates are correct, it will be about the same this year as in 1909, about 3.4 cents per dollar.

The CHAIRMAN. \$3.40 a hundred?

Mr. CURTIS. Yes, sir. In 1910 it was down to \$3.20, but I hope in another year to be in a position where we will be able to report some real decrease. We have various committees at work now, not only on analyzing our expenditures under this appropriation, but also working on efficiency and economy throughout the department.

The CHAIRMAN. If Congress should abolish any or all of these 44 collection districts that are not self-sustaining what means, if any, would be necessary to protect the revenues against fraud or to protect the Government against smuggling?

Mr. CURTIS. The answer to that question divides itself into two classes. There are a number of districts that upon abolition could be consolidated with other districts. In other words, it would be proper to have the whole of the seacoast, physically and geographically, within a district. I do not think it would be proper to have any portion of the shore not within some customs-collection district, so as to have some officer with jurisdiction over it, and if we abolished one district that did not sustain itself the territory could be attached to another district and the question of preventing smuggling would be answered by placing a deputy collector or inspector in charge of a certain length of territory to see that vessels did not land there. With interior ports that is not true.

The CHAIRMAN. The Revenue-Cutter Service would be available?

Mr. CURTIS. It is always available. They do a good deal of that work. But that is not true with respect to some of the interior ports.

The CHAIRMAN. What proportion of the districts that are not self-sustaining are interior ports and what proportion coast ports?

Mr. CURTIS. All but about five are coast ports. I did not bring the list with me. The majority of those districts that do not sustain themselves are coast districts, and if abolished the territory covered thereby should be simply put in some other district.

Mr. KEIFER. Should come under some one's supervision?

Mr. CURTIS. Yes, sir.

The CHAIRMAN. If general authority were given to the President to consolidate the districts where ports were abolished, then he could consolidate them as was deemed best in the administration of the service, could he not?

Mr. CURTIS. Yes, sir. That is what I should like to see done. I have on my desk the draft of a bill to that effect, but we did not put it in this year.

The CHAIRMAN. Do you know how much it costs to maintain the port at Annapolis?

Mr. CURTIS. It cost \$977.53 last year.

The CHAIRMAN. Do you know what amount was received?

Mr. CURTIS. There were no receipts from customs. There were a few documents issued to vessels, license fees received, to a slight amount. The total receipts were \$22.80.

The CHAIRMAN. Would there be any inconvenience to shipping in the abolition of any of these customs districts?

Mr. CURTIS. No, sir; that could be arranged for. That is, we would have deputy collectors stationed at proper points who would have authority to issue documents to vessels, licenses, etc.

The CHAIRMAN. You allow the watchmen at the port of New York \$840 a year each?

Mr. CURTIS. Yes, sir; that was the amount allowed to the 24.

The CHAIRMAN. Why do you allow them \$100 more than the watchmen in the departments in the city of Washington receive?

Mr. CURTIS. On the theory, I suppose, that the cost of living in New York is higher and the salaries generally run higher in the New York service than at any other port.

The CHAIRMAN. What do you pay the watchmen at other ports?

Mr. CURTIS. At New York we have 179 watchmen at \$840 per annum, 100 at \$960, and 80 at \$1,095; at Philadelphia we have 9 watchmen at \$840 per annum, 1 at \$720, and 32 night inspectors at \$3 per day; at Boston we have 8 watchmen at \$2 per day and 33 night inspectors at \$3 per day; at Baltimore, New Orleans, and San Francisco we have night inspectors at \$3 per day.

The CHAIRMAN. On page 25 there is an item:

To defray the expenses of collecting the revenue from customs, being additional to the permanent appropriation for this purpose, for the fiscal year ending June 30, 1910, \$70,000.

That is an ascertained deficiency?

Mr. CURTIS. Yes, sir. We have all the bills that have come in against that appropriation, which now amounts to \$67,487.70. In view of the fact that any unexpended balance would go right back into the Treasury, we have put that in at \$70,000, in round figures, in case any bill might turn up. We do not expect anything more than the \$67,487.70. That is the amount of the incurred expenses which we have not yet paid.

The CHAIRMAN. That is an ascertained deficiency?

Mr. CURTIS. Yes, sir.

The CHAIRMAN. For the fiscal year 1910?

Mr. CURTIS. Yes, sir.

PUBLIC HEALTH AND MARINE-HOSPITAL SERVICE

STATEMENT OF DR. WALTER WYMAN, SURGEON GENERAL, MARINE-HOSPITAL SERVICE.

PAY, ALLOWANCES, AND COMMUTATION OF QUARTERS.

The CHAIRMAN. Your first item is "Expenses of Public Health and Marine-Hospital Service as follows: For pay, allowances, and commutation of quarters for commissioned medical officers and pharmacists, \$39,000." Your appropriation for the fiscal year 1911 is \$227,000; that is, for this year. You have never had a deficiency, or have not had a deficiency in this item since the appropriation for

your service was segregated. Why is it that you have a deficiency now?

Dr. WYMAN. Because we did not have enough appropriated in the beginning of the year.

The CHAIRMAN. Does the officer in charge of that appropriation assume that he is to fix the standard of expenditure rather than the Congress of the United States?

Dr. WYMAN. I made my estimates, Mr. Chairman, and the published estimates were not the same.

The CHAIRMAN. Your estimate was only \$277,000?

Dr. WYMAN. No; I estimated more than that, Mr. Chairman.

The CHAIRMAN. Well, the department did not.

Dr. WYMAN. The department estimated \$277,000.

The CHAIRMAN. Well now, are the payments from that appropriation fixed by law?

Dr. WYMAN. Only in the terms of the appropriation, and that is indicated by the wording of the appropriation.

The CHAIRMAN. Well, commutation of quarters—

Dr. WYMAN. "For pay, allowances, and commutation of quarters for commissioned medical officers and pharmacists."

The CHAIRMAN. Well, now, the pay is fixed by statute, is it not, the amount to be paid to these officers is fixed by law?

Dr. WYMAN. The amount of pay and allowances for commissioned medical officers is fixed by law; the pay of the pharmacists, and their commutation, is fixed by the regulations. The matter is explained in the letters which are published here in the deficiency estimates on pages 7 and 8, page 8, particularly.

Mr. LIVINGSTON. How much of that \$277,000 have you unexpended now?

Dr. WYMAN. I do not know that I have the figures here.

The CHAIRMAN. Have you not a statement here showing the present status of your appropriation of \$277,000—showing the unexpended balance?

Dr. WYMAN. I have got it particularly in this printed letter, Mr. Chairman; I do not think I have got the exact figures of just what is still available out of that fund, and yet I have made it up two or three times in preparing my letters on the subject.

Mr. KEIFER. Can you approximate it and fix it later on?

Dr. WYMAN. I can fix it in my statement.

The CHAIRMAN. If you do not know how much your unexpended balance is, how do you arrive at your estimate of a \$39,000 deficiency?

Dr. WYMAN. Well, that is made up from the figures that I have prepared, after careful investigation and computation, from the expense account books; we figured that there would be a deficiency of \$39,000 in this particular item; we divided the appropriation into semiannual allotments.

The CHAIRMAN. How much did you spend in the first six months?

Dr. WYMAN. \$158,000 for the first six months. I did not think that you would want an exact statement of just how much of this total amount remained at the present time.

The CHAIRMAN. Well, that is the best way for us to find out whether your estimate for the deficiency—

Dr. WYMAN. Well, I made it up and—

The CHAIRMAN. Well, you spent how much during the first six months?

Dr. WYMAN. \$158,000.

The CHAIRMAN. That is, \$20,000 more than half of the amount appropriated?

Mr. KEIFER. Yes; and leaves him \$119,000 for the last half.

Dr. WYMAN. Yes; that is right.

The CHAIRMAN. What estimate did you submit to the Treasury Department on this item? What was the amount of your estimate?

Dr. WYMAN. I first made an estimate of \$325,000, but, yielding to the requests of the Secretary—his urgent requests upon the bureau officers to make their estimates as low as possible—I made a reduction in my estimate to \$310,000, but in that I was going beyond what was proper; I should have stuck to \$316,000, but the printed estimates went out at \$277,000.

The CHAIRMAN. Well, if we were to require the department to live within its own estimates there could not be any fault found with Congress, could there?

Dr. WYMAN. I am not finding fault with Congress.

The CHAIRMAN. No; but I say the department could not find fault if we hold the department down to its estimate.

Dr. WYMAN. The Secretary has forwarded the deficiencies for this year, showing that he recognized that we should have more than was originally appropriated.

Mr. KEIFER. For the work you have to do, do you need it?

Dr. WYMAN. We need it; yes, sir.

ALL OTHER EMPLOYEES.

The CHAIRMAN. The next item is "For all other employees, \$23,000." There again we gave you your estimate for the current fiscal year, \$352,000?

Dr. WYMAN. Well, with regard to that, I estimated \$280,000; my bureau estimate was \$380,000 for that.

The CHAIRMAN. \$380,000?

Dr. WYMAN. Yes, sir; but the appropriation was \$352,000.

The CHAIRMAN. Yes, your appropriation was \$352,000. What class of employees are these?

Dr. WYMAN. "All other employees." That includes acting assistant surgeons, hospital attendants, and under hospital attendants are included hospital nurses; all people connected with the care of a hospital—engineers, firemen, yardmen.

The CHAIRMAN. There is no law fixing the number of laborers or employees that you are to maintain in the service, is there?

Dr. WYMAN. No, sir.

The CHAIRMAN. Does the law fix the compensation to be paid to those who are employed?

Dr. WYMAN. No, sir; the law does not.

The CHAIRMAN. What compensation do you allow the acting assistant surgeons?

Dr. WYMAN. It varies according to the nature of their work and to the responsibility of their positions. For example, we have acting assistant surgeons in connection with the immigration work at Ellis Island; some of them are very expert; those men we pay sal-

aries of \$1,800, some of them up to \$2,100. Again, there are acting assistant surgeons at very small ports, where the amount of work is not sufficient to warrant the detail of a regular commissioned officer and where a physician is found who, after examination by the Civil Service Commission, may be appointed, and if his salary is more than \$300 a year he must be a civil service appointee. We have a number of those stations where we pay the men \$400 or \$500, sometimes \$600 or \$700, or perhaps \$800.

The CHAIRMAN. Are these acting assistant surgeons in New York men who devote all of their time to the service?

Dr. WYMAN. Yes, sir; at some small ports, where we have a marine-hospital station, and where we have a contract with the local hospital, the acting assistant surgeon does not give his whole time to the service, but the acting assistant surgeon is willing and glad to have the position and the small salary to add to his private income.

The CHAIRMAN. Are these acting assistant surgeons paid out of this appropriation?

Dr. WYMAN. Yes, sir.

The CHAIRMAN. \$352,000?

Dr. WYMAN. Yes, sir.

The CHAIRMAN. Have you made any effort to keep your expenditures within the amount of your estimate and the amount appropriated, \$352,000?

Dr. WYMAN. Yes, sir; we have.

The CHAIRMAN. Have you had any assistance from the Treasury Department in your effort to do so?

Dr. WYMAN. Well, we are having assistance from the Treasury Department all the time in our efforts to keep down expenses.

The CHAIRMAN. When these estimates were submitted to the Treasury Department for "Pay, allowances, and commutation of quarters for commissioned medical officers and pharmacists, and for all other employees," did you go over the estimates in detail with the Secretary or any of his assistants, stating the needs of the service?

Dr. WYMAN. To a limited extent I did, in my office. Two of the assistant secretaries, about a year and a half before the commencement of the fiscal year, came to me and we went over the estimates in a somewhat detailed way. They were not familiar with them and they discussed them in a general way, and asked me to do what I could to cut them down; but as to the revised estimates, I did not have an opportunity to go over them in detail.

The CHAIRMAN. Have you gone over in detail with the Secretary the deficiency estimates which you have submitted here?

Dr. WYMAN. I have in my letters to him; yes, sir.

The CHAIRMAN. Not in any other way except by letter?

Dr. WYMAN. And also by his request with his private secretary and the assistant secretary.

The CHAIRMAN. Well, what would happen if Congress adhered to its determination, made at the last session, that it would give only the amount estimated by the department for this fiscal year?

Dr. WYMAN. What would happen if the deficiency appropriation was not granted, you mean?

The CHAIRMAN. That is what it means; yes.

Dr. WYMAN. We would have to stop almost wholly the medical examination of immigrants; we would have to close up some of our

hospitals and some of our relief stations; we would have to dismiss a number of physicians and other employees, and cease to give relief to seamen of the merchant marine at a great many ports.

MAINTENANCE OF MARINE HOSPITALS.

The CHAIRMAN. The next item is "For maintenance of marine hospitals, including subsistence, and for all other necessary miscellaneous expenses, which are not included under special heads \$13,000." Your appropriation was \$237,000, which is \$819 less than was estimated; in other words, we gave you within \$819 of the amount estimated.

Dr. WYMAN. Well, the bureau's estimate for the year 1911 was \$250,000, the department's printed estimate was \$237,819, and the amount appropriated was \$237,000. Now, the total expenditure for the fiscal year 1910 was \$236,644.14.

The CHAIRMAN. How much of the \$237,000 did you expend in the first half of this fiscal year?

Dr. WYMAN. We made our allotment——

The CHAIRMAN. I do not care about your allotment. How much did you actually expend up to the 31st day of December, or up to January 1, 1911?

Dr. WYMAN. Just about one-half of it.

The CHAIRMAN. Well, one-half of it is \$118,500?

Dr. WYMAN. Yes, sir; that is right.

Mr. KEIFER. Why do you want the \$13,000?

Dr. WYMAN. Well, in order to do that, we had to hold up a good many necessary things, and then, besides that, the cost of subsistence has increased so that for the next half of the year we could not get along on the half.

MEDICAL EXAMINATIONS, ETC.

The CHAIRMAN. Your next item is "For medical examinations, care of seamen, care and treatment of all other persons entitled to relief, and miscellaneous expenses at other than marine hospitals, which are not included under special heads, \$29,000." Again, in that case, we gave you for this fiscal year \$116,000, your estimate being \$116,500; we gave you within \$500 of your estimate?

Dr. WYMAN. I might say the same with regard to this as I said with regard to the other item which we have just been discussing, and that is, that the bureau's estimate for 1912 was \$125,000, the department's estimate was \$116,500, and the appropriation was \$116,000. Now, the expenditures for the fiscal years 1908, 1909, and 1910 were all in excess of \$116,000, which was the amount provided for the present fiscal year.

The CHAIRMAN. What did you spend the first half of this fiscal year out of this appropriation?

Dr. WYMAN. About \$138,000.

The CHAIRMAN. Well, that was more than you had?

Dr. WYMAN. Well, I mean at the rate of \$138,000 for the year. In the present fiscal year there has been a very marked increase in the number of patients admitted to these hospitals, and that is one of the causes necessitating a deficiency. In the first four months of

this year, July, August, September, and October, there were 3,036 patients, with 37,164 days' relief in hospital, which is in excess of the same period in the fiscal year 1910 of 581 patients and 6,049 days in hospital. These figures relate to hospitals where we have contracts, and where there is a daily charge, so much per patient per day.

DISTRICT OF COLUMBIA.

STATEMENTS OF MESSRS. CUNO H. RUDOLPH, GEN. JOHN A. JOHNSTON, AND MAJ. WILLIAM V. JUDSON, COMMISSIONERS, ACCOMPANIED BY ALONZO TWEEDALE, AUDITOR.

TAKOMA PARK BRANCH PUBLIC LIBRARY.

The CHAIRMAN. The first item is "Takoma Park Branch Public Library." You have a deficiency there of \$3,333.33?

Mr. RUDOLPH. Yes, sir. That is the amount required for 1911-12. We hope to open the library on the 1st day of September next.

The CHAIRMAN. This is for the next fiscal year?

Mr. RUDOLPH. Yes, sir; for the ten months of the year; we will not open it until the 1st day of September next. The cost of maintenance per annum is limited by law to 10 per cent of the cost—\$40,000.

The CHAIRMAN. You did not estimate for it in the District appropriation bill?

Mr. RUDOLPH. We could not because the details of the building, etc., had not been definitely decided upon when we made up our estimates. Then a little further on we ask for \$3,000, which is for the purchase of books for the original stocking of the library, and while it exceeds in consideration of the amount set forth in the first item the \$4,000 limitation imposed by law, it is believed that inasmuch as this is for original stocking and equipment of the library it does not come within the prohibition of the 10 per cent clause.

The CHAIRMAN. How many employees will you have in this Takoma Park Branch Public Library?

Mr. RUDOLPH. The librarian, two assistant librarians, and one janitor; that is the whole working force. Then it is estimated it will take besides \$1,000 for binding books and periodicals, and for fuel, lighting, and contingencies, \$560.

The CHAIRMAN. To do what?

Mr. RUDOLPH. The \$1,000 is for the binding of books and periodicals.

The CHAIRMAN. Well, it is a new library.

Mr. RUDOLPH. Well, the periodicals have to be bound, you know.

The CHAIRMAN. \$1,000 ought to bind a great many books.

Mr. RUDOLPH. That includes the purchase of such books as they will have to get from time to time. And, as I said, there is the fuel, lighting, and contingencies, \$560. These estimates are made by the Library Commission.

The CHAIRMAN. Is this one of the Carnegie libraries?

Mr. RUDOLPH. Yes, sir.

The CHAIRMAN. Under what authority was it accepted by the commissioners?

Mr. RUDOLPH. By act of Congress. Mr. Carnegie donated \$40,000, and the citizens of Takoma Park gave the site for the building.

The CHAIRMAN. What salaries do you pay or propose to pay to the employees?

Mr. RUDOLPH. The highest paid man is the branch librarian at \$1,000, first assistant \$600, the second assistant \$480, and the janitor \$360.

The CHAIRMAN. Who made up the estimate, Mr. Commissioner, of \$3,000 for the purchase of books.

Mr. RUDOLPH. The Library Commission, of which Mr. Theodore W. Noyes is chairman; Mr. Bowerman is the librarian.

CONTINGENT EXPENSES.

The CHAIRMAN. The next item is "Contingent expenses: For postage for strictly official mail matter, \$2,000."

Mr. RUDOLPH. Yes; we can not get along with less than \$10,000 per annum. The work is growing and we are compelled to ask you for \$2,000. The expenditures up to the 16th of January last were \$5,464.50; duplicating that amount for the balance of the fiscal year, we will need \$10,929.

The CHAIRMAN. For the next fiscal year what are you allowed?

Mr. RUDOLPH. What is in the bill?

The CHAIRMAN. Yes.

Mr. RUDOLPH. \$9,000, in the House bill; we asked for \$10,000, and they recommended \$9,000.

The CHAIRMAN. And it will require \$2,000 for the remainder of this year?

Mr. RUDOLPH. Fully; yes, sir.

The CHAIRMAN. What is the status of your present appropriation—how much remains unexpended?

Mr. RUDOLPH. I can give it to you up to the 16th of January.

The CHAIRMAN. Well, that will do.

Mr. RUDOLPH. There was, roughly, \$2,500 unexpended.

The CHAIRMAN. That amount remained unexpended on the 16th of January?

Mr. RUDOLPH. Yes, sir. May is our heaviest month—when we mail the tax bills; those take a lot of stamps. The estimate of \$2,000 is low.

ADVERTISING TAXES IN ARREARS.

The CHAIRMAN. The next item is "For additional amount required for advertising taxes in arrears, \$550." Your appropriation was \$1,800; how much remains unexpended?

Mr. RUDOLPH. The reason that deficiency occurred, Mr. Chairman, is that this year we are compelled to advertise 13,100 parcels for sale as against 8,300 advertised last year; we could not, of course, anticipate that there would be so many more—5,000 more—so the actual requirements will be \$550 additional.

PURCHASE OF METAL IDENTIFICATION NUMBER TAGS.

The CHAIRMAN. The next item is "For the purchase of metal identification number tags for horse-drawn vehicles for business purposes in the District of Columbia, \$500, or so much thereof as may be necessary."

Mr. RUDOLPH. We have passed a police regulation compelling every wagon to carry a number. We are going to have these numbers made and put the regulation in force on the 1st of April; we sell them for 50 cents.

JUDICIAL EXPENSES.

The CHAIRMAN. The next item is "Judicial expenses: For additional amount required for objects set forth for judicial expenses, fiscal year 1908, \$9.50." That is an ascertained deficiency, is it?

Mr. RUDOLPH. Yes, sir; due to a man by the name of Wilson.

CORONER'S OFFICE.

The CHAIRMAN. The next item is "Coroner's office: For additional amount required to meet the object set forth in the appropriation for contingent expenses of the coroner's office, \$3,500." Is this for this year?

Mr. RUDOLPH. Yes, sir. There is absolutely no way of accurately foreseeing or anticipating the amount that will be required for the coroner's office and morgue for a specific fiscal year. While the greatest economy is practiced in the administration of this office, the determining factor whether the amount of the appropriation required be large or small is the number of inquests to be held by reason of deaths in the District. The demands upon this appropriation have been greatly increased during the present year by reason of the decision of the corporation counsel that inquests must be held in all suicide cases. The numbers of suicides in the District amounts to about 10 per annum; at about \$40 per inquest held, \$4,000 per year for this one item.

We have suggested some legislation. If the suggested legislation be enacted it will result in a saving to the District of about \$2,000, and the deficiency appropriation to be made may be correspondingly reduced from \$3,500 to \$1,500. The actual payments from the current appropriation up to December 31, 1910, amount \$3,063.40, of which sum more than \$2,500 was required for payment of witness and juror fees, autopsies, and notes, the remaining sum representing ordinary maintenance charges, fuel, ice, supplies, etc.

The CHAIRMAN. Mr. Commissioner, in case we adopt this suggestion and it becomes law, who is to determine whether the deceased came to his death by suicide, accident, mischance, or natural causes?

Mr. RUDOLPH. It has been the practice where the evidence pointed clearly to suicide that the coroner simply gave the necessary certificate, and there was no inquest, but some time ago one of the papers in Washington questioned the validity of this course, and we were compelled to refer the matter to the corporation counsel. He ruled that under the law the coroner must hold an inquest no matter how convinced he was that it was suicide. Even when he knew that a person had been found by a policeman or doctor in a room with the gas turned on, yet he must impanel a jury to say that the man was asphyxiated.

The CHAIRMAN. What are the jurors' fees?

Mr. RUDOLPH. Three dollars.

The CHAIRMAN. And does the jury consist of 12?

Mr. RUDOLPH. Of only 6.

The CHAIRMAN. What other items of expense are connected with an inquest?

Mr. RUDOLPH. Witness fees, and the doctor who makes the post-mortem examination gets a fee.

Mr. LIVINGSTON. Do you have to buy a lot to bury the suicide?

Mr. RUDOLPH. No; we do not have to do that. If it is a pauper the body is buried in potter's field.

The CHAIRMAN. In case of death by accident, it is not only the means that caused it that is investigated, but does the jury inquire into the responsibility for the accident?

Mr. RUDOLPH. Yes, sir.

The CHAIRMAN. In a case of that kind the investigation involves more than a mere ascertainment of the cause?

Mr. RUDOLPH. In a case of that kind the jury hears all the evidence, and on its verdict the person held is either committed or released.

The CHAIRMAN. And you propose to release the coroner from the necessity of holding an inquest in the case of accident, no matter how it occurred?

Mr. RUDOLPH. Only where the evidence is absolutely indisputable. It has been the custom here and is the custom in other cities to give the coroner that jurisdiction.

Mr. LIVINGSTON. Where a man leaves a note and commits suicide the evidence then is good?

Mr. RUDOLPH. Yes, sir.

Mr. LIVINGSTON. And where you see a man run over by the cars there is no necessity for a coroner's inquest?

Mr. RUDOLPH. The question would arise whether to hold the motor-man and conductor.

The CHAIRMAN. Suppose a man is run over and killed by a car?

Mr. RUDOLPH. Then the jury must decide.

The CHAIRMAN. In that case you would not have to hold an inquest at all?

Mr. RUDOLPH. Yes, sir; we would.

Mr. LIVINGSTON. You could indict him before the next grand jury.

The CHAIRMAN. This section reads:

The coroner shall not summon or hold any jury of inquest over the body of any deceased person where it is known that the deceased came to his death by suicide, accident, mischance, or natural causes: *Provided*, That in cases where it is not known that the deceased came to his death by suicide the coroner may, in his discretion, summon such jury.

If this provision were to go into effect the coroner might as well go out of business.

GENERAL ADVERTISING.

The next item is "For general advertising" for the fiscal year 1910, \$559.26. That is an ascertained deficiency?

Mr. RUDOLPH. Yes, sir; that is an ascertained deficiency.

The CHAIRMAN. And for the fiscal year 1908, \$22.50. That is also an ascertained deficiency?

Mr. RUDOLPH. Yes, sir.

The CHAIRMAN. Why were these deficiencies not estimated for before?

Mr. RUDOLPH. We could not estimate the 1910 deficiency because we had no idea what the amount would be. As to the 1908 deficiency, that is due to the fact that the man did not present his bill in time.

IMPROVEMENTS AND REPAIRS.

The CHAIRMAN. The next item is, "Improvements and repairs: For additional amount required to meet the object set forth in the appropriation for assessment and permit work, fiscal year 1908," \$1.75?

Mr. RUDOLPH. That is for a poor chap who did not get his wages.

The CHAIRMAN. That is an ascertained deficiency?

Mr. RUDOLPH. Yes, sir.

The CHAIRMAN. Now, you have a provision here:

Provided, That the work authorized by the appropriation of fifteen thousand dollars contained in the District appropriation act approved May eighteenth, nineteen hundred and ten, for grading streets, alleys, and roads, may, in the discretion of the commissioners, be performed by hired labor: *Provided*, That the Commissioners of the District of Columbia are hereby authorized and directed to pay to A. Wilson and Brother the sum of eleven dollars and eighty-three cents for fuel furnished the District of Columbia without the usual certificate of inspection required by law, September, nineteen hundred and ten.

Mr. RUDOLPH. We require that authority, Mr. Chairman. There is no appropriation asked in either case.

The CHAIRMAN. What is the necessity for that authority?

Mr. RUDOLPH. It arises from the fact that we are taking all the prisoners away from the workhouse and sending them to Occoquan. That takes the chain gang from here and therefore we must have authority to hire free labor to do their work. I think it will be more economical to hire free labor than to keep prisoners here.

The CHAIRMAN. Is that provision carried in the District appropriation bill for the next year?

Mr. RUDOLPH. Yes, sir.

The CHAIRMAN. Is the other item in this proviso for \$11.83 a claim?

Mr. RUDOLPH. That was coal that was furnished to our steam rollers out near Bethesda. Under the law we have to have all fuel inspected and in this case we had to waive inspection, and we have to have authority from you to pay this bill.

EXTENSION OF STREETS AND AVENUES.

The CHAIRMAN. The two items under "Extension of streets and avenues," amounting to \$4.30, are ascertained deficiencies?

Mr. RUDOLPH. Yes, sir.

ROAD ALONG SOUTH BANK OF ANACOSTIA RIVER.

The CHAIRMAN. The next item is, "Road along the south bank of Anacostia River: For additional amount required to meet the costs and expenses of condemnation proceedings, \$290.77." That is an ascertained amount?

Mr. RUDOLPH. Yes, sir.

PURCHASE OF LANDS, GOVERNMENT RESERVATIONS.

The CHAIRMAN. The next item is, "Purchase of lands, Government reservations: For additional amount required to meet the costs and expenses of condemnation proceedings taken pursuant to section 2 of the act of June 30, 1906, payable wholly from the revenues of the United States, \$0.40." That is an ascertained amount?

Mr. RUDOLPH. Yes, sir.

PUBLIC SCHOOLS.

The CHAIRMAN. The next item is, "Public schools: For additional amount required for pay of janitors, Western High School, \$320."

Mr. RUDOLPH. The Western High School has been very much enlarged; we have had to have additional janitor service, amounting to \$320. We could not anticipate that.

The CHAIRMAN. Who is the principal of that high school?

Mr. RUDOLPH. Miss Edith Westcott.

COMPULSORY-EDUCATION LAW.

The CHAIRMAN. The next item is, "For additional amount required to meet the object set forth in appropriation to provide for increased enrollment resulting from the operation of the compulsory-education law, \$1,150." Your appropriation for that service was \$13,000 for this year. How much of it remains unexpended?

Mr. RUDOLPH. I have not those figures.

The CHAIRMAN. How do you arrive at this amount?

Mr. RUDOLPH. That is the amount that was expended for moving portable schoolhouses and putting them in condition to carry out the compulsory-education law.

The CHAIRMAN. You had \$13,000 for that purpose. This is an estimated deficiency; it is not an actual deficiency?

Mr. RUDOLPH. It is estimated.

The CHAIRMAN. For the fiscal year 1911?

Mr. RUDOLPH. Yes, sir; the engineer department made a very close estimate.

LONGEVITY PAY.

The CHAIRMAN. The next item is, "That the Commissioners of the District of Columbia are hereby authorized and directed to pay from the unexpended balance of the appropriation for longevity pay, fiscal year 1910, such sums as may be due teachers for said fiscal year under the provisions of the act of May 18, 1910." Why was it not paid, if the law authorized it? Was the appropriation not sufficient?

Mr. RUDOLPH. I do not know how that item got in the estimates, Mr. Chairman.

The CHAIRMAN. It is in your deficiency estimates.

Mr. LIVINGSTON. Have you had trouble with the comptroller about that item?

Mr. RUDOLPH. Yes, sir; the auditor, the school board, and the comptroller have had the matter up.

The CHAIRMAN. It seems to me that if the payment of this longevity pay was authorized, and the appropriation is sufficient, which would seem to be the case——

Mr. TWEEDALE (interposing). Mr. Chairman, in that particular case we believed that we needed authority, because the act took effect May 18, 1910, to pay out of that year's appropriation, but the comptroller after we had submitted that item suggested that it was properly payable out of the appropriation for that particular fiscal year and therefore there will be no need at this time for enacting that provision.

FIRE DEPARTMENT.

The CHAIRMAN. The next item is, "Fire department: Salaries: For additional amount required to meet payment of salaries, fiscal year 1908, \$11.57." That is an ascertained amount?

Mr. RUDOLPH. Yes, sir. That is due a widow of one of the captains.

HEALTH DEPARTMENT.

DISINFECTING SERVICE.

The CHAIRMAN. The next item is, "Health department: For additional amount required to meet object set forth in the appropriation for disinfecting service, \$3,000." Is that for the fiscal year 1911 or the fiscal year 1910?

Mr. RUDOLPH. For the fiscal year 1911. The necessity for this appropriation arises by reason of the fact that certain of the disinfecting service apparatus was condemned by the inspector of boilers and had to be replaced by a new plant at a cost of \$1,170. By reason of this extraordinary burden upon the appropriation, which was not contemplated or included in the amount of the appropriation for the current fiscal year, \$5,000, it will be necessary that the sum of \$3,000 be appropriated in order that the service may be maintained for the remainder of the fiscal year.

The CHAIRMAN. "Provided, That the limitation of \$10,000 imposed by the act of May 18, 1910, upon amounts to be paid from appropriation for the contagious-disease service for salaries or compensation is hereby repealed and annulled."

Mr. RUDOLPH. The repeal of the restriction or limitation of \$10,000 placed upon expenditures to be made from this appropriation, 1911, for services, is requested in view of the actual past experience in the operation of this service. The main activities of this service are personal, including inspection, quarantine watchmen, attendants, etc., at the smallpox hospital, and similar items of personal service.

The expenditures for personal services for the three past fiscal years from the appropriation for contagious-disease service follow:

1910	-----	\$19,945.26
1909	-----	16,128.15
1908	-----	19,774.17

It is stated by the health officer that if the efficiency of the service is to be maintained and the public health protected, the limitation of \$10,000 should be removed—the actual needs of the service demanding an outlay of practically twice that sum. The experience of the

present year, 1911, has demonstrated that while there has been expended only \$4,593.14, the expenditures have been kept within this figure by the imposition of additional duties of the contagious-disease service upon the regular sanitary inspection force of the department, thus embarrassing and materially interfering with that important service. As a final analysis the efficiency of both the contagious-disease service and the sanitary inspection work has been seriously impaired by the limitation on personal services referred to.

ENFORCEMENT OF MILK LAW.

The CHAIRMAN. The next item is, "Health department: For additional amount required for contingent expenses incident to the enforcement of an act to regulate the sale of milk in the District of Columbia, approved March 2, 1895, and for other purposes, \$200." Your appropriation for this service is \$1,000.

Mr. RUDOLPH. That is required to meet the unforeseen demands for the collection of samples and the examination of milk in the District of Columbia, in order to carry out the provisions of the act of March 2, 1895, to regulate the sale of milk in the District of Columbia and for other purposes. That is an estimate. We can not arrive at a definite amount.

The CHAIRMAN. Have you a statement of the amount of your expenditures under this item?

Mr. RUDOLPH. We can submit one.

Expenditures from appropriation for contingent expenses incident to the enforcement of an act to regulate the sale of milk in the District of Columbia, approved Mar. 2, 1895, and for other purposes.

Apparatus	\$351.30
Test supplies	101.68
Stationery and printing	80.62
1 water bath	54.25
3 satchels	24.00
Ice	25.74
Gas	16.29
Photo supplies	15.78
10 wooden shipping boxes	17.50
Miscellaneous	15.27
Drugs	80.07
Total	782.50

JUVENILE COURT.

The CHAIRMAN. The next item is "Juvenile Court: For services rendered by acting judge during absence of judge of said court, as authorized by section 3 of act of March 19, 1906, fiscal year 1911, \$205."

Mr. RUDOLPH. It is stated as \$290 here.

The CHAIRMAN. And for the fiscal year 1910, \$85?

Mr. RUDOLPH. Yes, sir; \$290 altogether. That is a definite amount.

The CHAIRMAN. It is for 1910, but for 1911 it must be an estimated deficiency.

Mr. RUDOLPH. No, sir; up to the present time he has rendered so many days' actual service. The \$290 includes the services rendered up to the present time. If he has to serve between now and the 1st

of July we will have to come back next year and get an appropriation for that.

INCIDENTAL EXPENSES.

The CHAIRMAN. The next item is "For additional amount required for incidental expenses for fiscal year 1910, \$9.02." That is an ascertained deficiency?

Mr. RUDOLPH. Yes, sir; that is for removing ashes from the court building.

POLICE COURT.

The CHAIRMAN. The next item is for: "Police Court: For additional amount required for witness fees, fiscal year 1908, \$0.75."

Mr. RUDOLPH. That certificate came in late.

WRITS OF LUNACY.

The CHAIRMAN. The next item is "Writs of lunacy: For additional amount required to meet object set forth in the appropriation for writs of lunacy, fiscal year 1903, \$1.25, and for the fiscal year 1905, \$2.50"?

Mr. RUDOLPH. Those certificates were delayed in presentation.

SUPPORT OF ABANDONED WIVES AND CHILDREN.

The CHAIRMAN. The next item is "Washington Asylum: Support of abandoned wives and children; for additional amount required for payment to beneficiaries under act of May 23, 1906, \$1,500."

Mr. RUDOLPH. That is purely an estimate, but it is about as near as we can figure it. It is up to the courts. It depends on how many men they send us.

The CHAIRMAN. How many abandoned wives have been taken care of under this appropriation during the fiscal year 1910?

Mr. RUDOLPH. I am not informed as to that. We have at this time 19 nonsupport prisoners.

The CHAIRMAN. Are any of them white?

Mr. RUDOLPH. Yes, sir.

Mr. LIVINGSTON. Do you get hold of the husbands by process of law?

Mr. RUDOLPH. They are committed by the judge of the juvenile court, and we take them down to the workhouse and pay the wives 50 cents a day for each day the prisoner works?

HOME FOR AGED AND INFIRM.

The CHAIRMAN. The next item is, "Home for the Aged and Infirm," and your appropriation for this year is \$24,000 and you estimate a deficiency of \$3,000?

Mr. RUDOLPH. That is a matter which comes under the jurisdiction of the Board of Charities. They claim that the additional appropriation is needed because of the increased population of the institution. Last year the daily average population was 276 and this

year it is 296, with every indication that it will go higher. We have 320 inmates to-day.

The CHAIRMAN. The next item is "The unexpended balance of the appropriation of \$6,500 made by the act of May 26, 1908, for duplicating water supply at the Home for the Aged and Infirm is hereby reappropriated and continued available until and including June 30, 1912"?

Mr. RUDOLPH. That is a little balance of less than \$500 that we would like to have reappropriated so as to complete the work.

NATIONAL TRAINING SCHOOL FOR BOYS.

The CHAIRMAN. The next item is, "National Training School for Boys: For additional amount required for care and maintenance of boys committed to the National Training School for Boys by the courts of the District of Columbia under a contract to be made by the Board of Charities with the authorities of said National Training School for Boys," \$2,000?

Mr. RUDOLPH. That is figured at the \$2 rate, which stands until the 1st of July.

The CHAIRMAN. It does, unless we change it.

Mr. RUDOLPH. The contract runs up to the 1st of July, but in spite of the low figure of the contract rate we will require \$2,000.

The CHAIRMAN. Who have they a contract with?

Mr. RUDOLPH. The authorities of the training school. They expended in the first six months \$14,416.86 of the appropriation of \$27,000, and the amount will certainly be higher for the next six months.

The CHAIRMAN. Suppose this item is enacted into law:

For care and maintenance of boys committed to the National Training School for Boys by the courts of the District of Columbia, additional to the amount payable under a contract made by the Board of Charities with the authorities of said National Training School for Boys, this sum being intended to pay said school additional not exceeding one dollar per week for each boy so committed and maintained during any part of the fiscal year nineteen hundred and eleven, ten thousand dollars, or so much thereof as may be necessary.

If that language were enacted into law, then we would not need to make an appropriation under another head?

Mr. RUDOLPH. No, sir.

THE NATIONAL TRAINING SCHOOL FOR BOYS, BLADENSBURG ROAD,
Washington, D. C., February 18, 1911.

HON. JAMES A. TAWNEY,

Chairman Appropriations Committee,

House of Representatives, Washington, D. C.

SIR: On behalf of the board of trustees of the National Training School for Boys, Washington, D. C., I beg to submit that which follows regarding its need of a deficiency appropriation of \$10,000 for general support.

Under date of February 16, 1911, I addressed a letter to the Hon. George W. Wickersham, Attorney General, inviting attention to this matter, a copy of which is herewith inclosed.

While there are a number of causes for this deficiency, yet underlying them all is the fact that we are only receiving from the Board of Charities \$2 a week per capita for care and maintenance of the boys committed to the school by the courts of the District of Columbia, while it should be receiving at least \$3 a week. The attention of the Board of Charities has been called to this matter on several occasions, and in this connection I inclose herewith a copy of a letter to its president under date of August 4, 1910.

Should a sufficient additional appropriation be made and authority be given the Board of Charities to so modify the contract for the current fiscal year between it and the school as to enable it to pay the latter at the rate of \$3 per week as above then no other additional appropriation will be necessary and a balance will be turned by us into the Treasury at the end of the fiscal year.

If, however, this will not be practicable, then an appropriation should be made directly to our board of trustees as has been formerly done and as requested in my letter of the 16th instant to the honorable the Attorney General.

Very respectfully,

WM. M. SHUSTER,
President Board of Trustees.

THE NATIONAL TRAINING SCHOOL FOR BOYS, BLADENSBURG ROAD,
Washington, D. C., August 4, 1910.

MR. JOHN JOY EDSON,
President Board of Charities, District of Columbia.

DEAR SIR: I return herewith, duly signed, copies in quadruplicate of the contract between the National Training School for Boys and the Board of Charities for the care and maintenance of boys committed to said school by the courts of the District of Columbia, at the price fixed in the contract by the Board of Charities, viz, \$2 per week for each boy.

On several occasions it has already been brought to the attention of your board that this rate is entirely too low, the actual cost to the school being about double what your board has fixed in the contract.

In authorizing the execution of this contract, the board directs me to say that it has consented thereto with the full expectation and understanding that the Board of Charities will make every effort at the earliest opportunity to prevail upon Congress to make appropriation sufficient to enable it to pay the school at a minimum rate of \$3 a week per boy, and will also endeavor to secure a deficiency appropriation by which this increased rate can begin with July 1, 1910.

Respectfully,

WM. SHUSTER, *President.*

WASHINGTON, D. C., *February 16, 1911.*

HON. GEORGE W. WICKERSHAM,
Attorney General of the United States,
Department of Justice, Washington, D. C.

SIR: On behalf of the board of trustees, I have the honor to invite attention to the pressing need of an additional appropriation of \$10,000 for the National Training School for Boys, Washington, D. C., for general support, to cover deficiencies for the current fiscal year ending June 30, 1911.

Additional appropriations of this character have been necessary during the last two years, having been provided as follows:

1909.—Deficiency for support-----	\$3,000
Deficiency District of Columbia appropriation contract with Board of Charities for maintenance of District of Columbia boys -----	3,300
	<u>6,300</u>
1910.—Deficiency for support-----	3,000
Deficiency appropriation contract with Board of Charities for maintenance of District of Columbia boys-----	4,100
	<u>7,100</u>

The need for these additional appropriations and for the present one asked has arisen from the following causes:

The steady increase from year to year in the number of boys committed to the school; the increase in the force of officers and employees made necessary by such increase in boys and by additional family buildings; the increased expenses in the way of heating and generally on account of additional build-

ings; continued high prices of many articles needed and used, together with failure of crops on the school farm owing to unfavorable weather conditions for three successive seasons.

Trusting that the request for this necessary additional appropriation may meet with your approval, I am,

Yours, very respectfully,

WM. M. SHUSTER,
President Board of Trustees.

EASTERN DISPENSARY.

The CHAIRMAN. The next item is, "Eastern Dispensary: For additional amount required for emergency care and treatment of and free dispensary to indigent patients, under a contract or agreement to be made with the Eastern Dispensary by the Board of Charities, \$2,200"?

Mr. RUDOLPH. They spent during the first six months \$5,670, and it is fair to assume that the total expenditures for the year will certainly be \$11,200, and as the appropriation is only \$9,000 they will require \$2,200.

The CHAIRMAN. Your appropriation for this expense for this year was \$9,000?

Mr. RUDOLPH. Yes, sir; and, as I stated before, we have spent \$5,670 during the first six months, and it certainly will be as much again for the next six months.

The CHAIRMAN. You have no control over the number of people cared for; they are purely emergency cases?

Mr. RUDOLPH. Yes, sir; any emergency case within their territory is cared for.

The CHAIRMAN. You have a contract to pay for whatever services are rendered?

Mr. RUDOLPH. Yes, sir.

TUBERCULOSIS HOSPITAL—MORTUARY.

The CHAIRMAN. The next item is, "Tuberculosis Hospital: For additional amount required for erection of mortuary, \$2,000"?

Mr. RUDOLPH. You appropriated \$3,000 for the mortuary, but it is utterly impossible to construct any kind of a building for \$3,000. It will run between \$4,750 and \$4,800.

The CHAIRMAN. Do you think that \$2,000 with the \$3,000 available will be sufficient to build the mortuary?

Mr. RUDOLPH. Yes, sir; we can build it in very good shape.

INDUSTRIAL HOME SCHOOL FOR COLORED CHILDREN.

The CHAIRMAN. The next item is, "Industrial Home School for Colored Children: For additional amount required for maintenance, including purchase and care of horses, wagons, and harness, \$3,000." You have appropriated this year \$6,000. How much of that amount was unexpended at the end of the first half of this year?

Mr. RUDOLPH. \$6,000 in the seven months, up to the 1st of February.

The CHAIRMAN. The appropriation is completely exhausted?

Mr. RUDOLPH. Yes, sir; that appropriation is wiped out.

INDUSTRIAL HOME SCHOOL.

The CHAIRMAN. The next item is "Industrial Home School: For additional amount required for maintenance, including purchase and care of horses, wagons, and harness, \$2,500." For that item you had \$13,000 for this year?

Mr. RUDOLPH. There have been some changes out there. Up to the close of the fiscal year 1909 the children sent to this institution by the Board of Children's Guardians were paid for by the board, the school receiving about \$5,000 per annum from this source. By reason of a subsequent change or amendment of the law, no payments are now made by the board of guardians for this service. A deficiency in the account for the fiscal year 1910 would have resulted had it not been for using the accumulations of the Industrial Home School fund from prior years and by a reduction in the number of children received. It is not deemed expedient to curtail the work of this institution for lack of funds by refusing admission to those needing its aid, nor are there now available funds to the credit of the Industrial Home School fund sufficient to meet the anticipated deficiency that must result this year. It is therefore imperative that the deficiency of \$2,500 asked for be granted. They sell products, flowers, and things, and in that way they accumulated a little fund which was all exhausted last year and now they have not any funds.

The CHAIRMAN. Does any of this deficiency arise on the ground of the purchase and care of horses, wagons, and harness?

Mr. RUDOLPH. Those were some of the items.

The CHAIRMAN. Or is it merely due to the increased service?

Mr. RUDOLPH. The deficiency is largely due to decreased income and not having any fund to fall back on like last year.

BOARD OF CHILDREN'S GUARDIANS.

The CHAIRMAN. The next item is "Board of Children's Guardians: That authority is hereby granted to pay, in addition to the sum of \$1,500 heretofore authorized, a further sum not to exceed \$4,000 to institutions adjudged to be under sectarian control, fiscal year 1911."

Mr. RUDOLPH. As I understand, the law limits the amount to be paid to sectarian institutions to \$1,500. There are many cases which the Board of Children's Guardians simply have to send to these institutions; they can not place them in homes because they need more careful training, watching, and guarding than they can get in a home. They simply want authority to take \$4,000 of their present appropriation and pay it to these institutions.

Mr. LIVINGSTON. Do you consider it absolutely necessary to put children in sectarian institutions?

Mr. RUDOLPH. That is up to the Board of Guardians.

Mr. LIVINGSTON. Do you think that is a good policy?

Mr. RUDOLPH. Sometimes it is the only institution where they can get them in.

MILITIA.

The CHAIRMAN. The next item is "Militia: For pay of officers and enlisted men in the Naval Battalion for annual cruise of 1910, \$3,610.12."

Mr. RUDOLPH. The commanding general of the militia states that inasmuch as it is not known just how many men will go on the annual cruises it is therefore deemed expedient to wait until the end of the cruise to get the required appropriation from Congress, based on the actual needs of the case.

The CHAIRMAN. This is an ascertained deficiency?

Mr. RUDOLPH. Yes, sir; it is the amount the cruise of last summer cost.

FURNITURE, ETC.

The CHAIRMAN. The next item is "For furniture, fire hose and connections, fire extinguishers, and all material necessary for the equipment and care of the storehouse, naval battalion, District of Columbia, \$1,070."

Mr. RUDOLPH. That item was not submitted by the commissioners.

REFUNDING TAXES.

The CHAIRMAN. The next item is "Refunding taxes: The Commissioners of the District of Columbia are hereby authorized to pay to H. C. Green the sum of \$3 for amount erroneously paid for certain permits," and the next item, "to pay to Margaret R. Sammons the sum of \$7.31, on account of erroneously paid taxes."

Mr. RUDOLPH. We only want authority; no appropriation.

REIMBURSEMENT OF SHORTAGES IN ACCOUNTS.

The CHAIRMAN. The next item is "Reimbursement of shortages in accounts."

Mr. RUDOLPH. That is our old friend. We have had that subject up before and I would like to submit a statement, Mr. Chairman, prepared by our corporation counsel, in that matter.

The CHAIRMAN. All right.

Mr. RUDOLPH. We would certainly like to get the \$63,000. It comes entirely out of the revenues of the District. We can not close up our books unless we get it. It was caused by a defalcation, and is largely money due people who make deposits before they get permits for work. What we are doing now is robbing Peter to pay Paul.

Maj. JUDSON. We are insolvent as to that fund, in other words.

The CHAIRMAN. This deficiency arises from a defalcation?

Mr. RUDOLPH. Yes, sir.

Mr. KEIFER. What kind of a defalcation?

Mr. RUDOLPH. Mr. Watson stole a lot of money from these funds and we have not been able to recover any of it.

Mr. KEIFER. And you do not expect to get any of it?

Mr. RUDOLPH. No, sir. The defalcation occurred in 1902. This board inherited this matter and yet we are personally responsible.

The CHAIRMAN. This trust fund consists of payments made by private citizens?

Mr. RUDOLPH. Yes, sir.

Mr. KEIFER. It has been made good by somebody?

Mr. RUDOLPH. No, sir.

Mr. KEIFER. Have not the private citizens been reimbursed?

Mr. RUDOLPH. We are reimbursing them out of the fund, improperly.

Maj. JUDSON. There is always one or two hundred thousand dollars in that fund, but there should be \$63,000 more.

The CHAIRMAN. In other words, if you had to show down and pay the citizens all that is due them you would be short this amount of money?

Maj. JUDSON. Yes, sir; that is right.

The CHAIRMAN. And that would necessitate the District Commissioners paying it?

Mr. RUDOLPH. That is what it means.

Maj. JUDSON. And then there would still be a deficiency.

The CHAIRMAN. Was this a bonded officer?

Mr. RUDOLPH. No, sir. The auditor was bonded and is now, but this man himself was not bonded.

The CHAIRMAN. Was this man under the auditor?

Mr. RUDOLPH. Yes, sir; in the auditor's office; not under the present auditor, however.

Mr. KEIFER. Did the auditor's bond cover it?

Mr. RUDOLPH. He was bonded for only \$20,000. That controversy is up in the courts now. I have a statement about the status of the case, which I will put in the record. There is no telling when we will get final judgment in that case, because it will be taken up to the court of appeals and to the Supreme Court of the United States, no matter which way it goes.

The CHAIRMAN. If Congress appropriated the money, what effect would that have on the legal liability of the surety bond of the auditor?

Mr. RUDOLPH. None whatever. That case is now in the courts, and has been decided by one court.

Mr. KEIFER. Is it a suit by the District?

Mr. RUDOLPH. Yes, sir; to hold the bondsmen. The bond was given to the District.

The CHAIRMAN. The bond was to indemnify the fund?

Mr. RUDOLPH. To the extent of the bond.

The CHAIRMAN. If the bond were indemnified in some other way, by an appropriation from the revenues of the District—

Mr. RUDOLPH (interposing). The bond is to the District, you know, Mr. Chairman.

(The statement submitted by Mr. Rudolph follows:)

The sum here asked for is required to reimburse the fund known as "Miscellaneous trust fund deposits, District of Columbia," and the United States Government, for amounts due thereto by reason of the Watson defalcation. This sum is made payable wholly from District of Columbia revenues.

The corporation counsel of the District advises that—

"The District of Columbia having lost the sum here asked for appropriation, by reason of the defalcation of Watson, the question whether the bond of Mr. Petty, late Auditor of the District of Columbia, is responsible for the embezzlement is entirely outside of the question whether Congress will appropriate to reimburse for the loss in question, unless it is the desire of Congress to wait until the final determination of the case and the collection of a judgment to reimburse the District for the deficiency caused by the embezzlement.

"In the present case, now before the courts, two of the judges have decided that there can be no recovery on the bond, and one judge has held that there can be no recovery on the pleadings. The case is now in the court of appeals on demurrer. The decision of the court will determine (1) the sufficiency of the pleadings, and (2) whether in any event the District of Columbia is entitled

to recover on Mr. Petty's bond. If the court of appeals should decide that the bond can not be held, then the District will appeal to the Supreme Court of the United States. If that court should decide that the bond can be held, then the case will be returned for trial before the jury on the merits, and after trial before the jury will again be appealed to the court of appeals and then to the Supreme Court of the United States.

"Therefore, there is no immediate possibility that any funds will be realized which can be applied to the satisfaction of the money embezzled."

In former presentations of the necessity for appropriation of sufficient funds to reimburse the several individuals and corporations who have deposited money to the credit of the miscellaneous trust-fund deposits has been plainly set forth. The Commissioners of the District are in the present position of using Peter's money to pay Paul; that is, the moneys deposited in trust by current depositors are being used for the refund not only of current deposits, but also to reimburse old deposits and costs of work, which could not be otherwise done, due to the Watson embezzlement. In other words, if to-day the commissioners were required to liquidate the fund, pay all depositors the several sums to be refunded to them, pay all outstanding obligations, the thing could not be done; there would be necessarily a default in payment. While no one will impute criminal intent to such a state of affairs, yet, nevertheless, the policy now being pursued, by reason of the failure of Congress to afford relief by appropriation, is bad in principle and unsound. Furthermore, not only the general public, the several depositors of the fund, are having their money diverted by this practice, but there is now due the United States and should be paid the sum of \$11,503.74 (one-half of assessment and permit work), which sum should be promptly appropriated and payment thereof made to the Treasurer of the United States and the account closed.

In addition to the opinion expressed above by the corporation counsel, it is the opinion of the auditor of the District that the granting of the appropriation here asked for will in no wise affect any recovery to be had on the bond of Mr. Petty, the late auditor; it will, however, do that which should have been done long ago, enable the commissioners to reestablish this fund on a sound financial and administrative basis and enable them to discontinue the present unsound policy that is being applied in the administration and handling of the moneys deposited under this fund at the present time, due to the failure of the necessary appropriation to reimburse the same.

JUDGMENTS.

The CHAIRMAN. The next item is "Judgments."

Mr. RUDOLPH. Those are all ascertained items.

Mr. KEIFER. Are those judgments rendered by the courts?

Mr. RUDOLPH. By the courts, and there is no appeal.

SUPPORT OF PRISONERS.

The CHAIRMAN. The next item is "Support of prisoners: For expenses for maintenance of the jail of the District of Columbia, including pay of the guards and all other necessary personal services, and for support of prisoners therein, to be expended under the direction of the Attorney General, \$5,000." The appropriation for this service is \$60,000. How much has been expended?

Mr. RUDOLPH. That item was not submitted by the commissioners. That is a Department of Justice item.

Mr. LIVINGSTON. You have nothing to do with it?

Mr. RUDOLPH. No, sir; nothing in the world.

BUILDING AND OTHER REGULATIONS.

Can we get you to help us out in this matter? We have authority now to print plumbing regulations, police regulations, and what not, and to sell them as cost plus 10 per cent. A literal application of this

law would preclude the issue of regulations to the commissioners, to the law officers, the police, and other officials of the District to whom they are absolutely necessary for the proper discharge of their official duty. While the commissioners have construed this law to authorize them to issue these publications to District officials as an administrative necessity, they hope that the law will be amended to give them specific authority in the premises substantially as follows:

The Commissioners of the District of Columbia are hereby authorized to hereafter issue, in their discretion, without charge, to officers and the judiciary of the government of the District of Columbia and to other officers of the Government, and to institutions of learning, State and city officials, by way of documentary exchange, copies of building, police, plumbing, and other municipal regulations made and published by them in their official capacity, and the remainder of such publications shall only be disposed of by sale at not less than the cost price and 10 per cent thereof; and all moneys received from the sale of said regulations shall be paid into the Treasury of the United States to the credit of the District of Columbia and of the United States in equal parts.

Copies of publications of laws of various other municipalities and of States are frequently sent gratuitously to the commissioners, with request for copies of the regulations of the District in exchange. The publications so received by the commissioners are often valuable for information they contain which can be adapted in the administration of the government of the District. Institutions of learning also ask for copies of our regulations for use in connection with some branch of instruction.

Mr. KEIFER. How many would there be?

Maj. JUDSON. Not more than a dozen.

Mr. RUDOLPH. More than that, but not over 100. It would not exceed 100 both for requisitions and where we get value back by exchanges.

LEPER HOUSE.

Mr. JOHNSTON. One of the items of expense in connection with the contagious disease service is the payment of three watchmen at the leper house, where we have at the present time a man afflicted with leprosy.

The CHAIRMAN. Is the fact that he is afflicted with leprosy established?

Mr. JOHNSTON. It seems to be so far as our officers are concerned, and is admitted by the man himself; that is the principal thing. We would like to secure the insertion of some provision in the law whereby we could send him somewhere. The following provision is suggested:

Provided further. That hereafter the Commissioners of the District of Columbia are authorized, in their discretion, to enter into contract for a period or periods not exceeding five years, subject to annual appropriations by Congress, with any hospital or other institution in any State, Territory, or the insular possessions, for the care and maintenance of any person found in the District of Columbia suffering with leprosy, and to remove such person from the District of Columbia, and the appropriations annually provided for the prevention of the spread of communicable and contagious diseases shall be available for the purpose herein provided and for the payment of necessary transportation and other expenses in removing such patient from said District to such hospital or other institution.

Mr. KEIFER. Is there only one leper here?

Mr. JOHNSTON. Yes, sir; a Filipino who came here.

The CHAIRMAN. They have several people in the soldiers' homes who are afflicted with leprosy, and they have not been able to find any place in the United States where they can send them.

Mr. LIVINGSTON. The best place is in Caracas, which was endowed by some very wealthy Spaniard.

The CHAIRMAN. We have a leper colony in Panama and also in Hawaii.

Mr. KEIFER. There is one at Molokai, the prettiest island in the world.

Maj. JUDSON. And there is one in Porto Rico.

Mr. JOHNSTON. We have one in the Philippines, and that is where this man would be anxious to go. The difficulty would be to get authority to send him on a transport or any other vessel.

Maj. JUDSON. They would probably take him on a Government transport.

TUESDAY, FEBRUARY 21, 1911.

MILITARY ESTABLISHMENT.

STATEMENT OF BRIG. GEN. HENRY G. SHARPE, COMMISSARY GENERAL, UNITED STATES ARMY.

SUBSISTENCE OF THE ARMY.

The CHAIRMAN. Gen. Sharpe, your first item is on page 44—Subsistence Department:

For subsistence of the Army, including all objects mentioned under this head in Army appropriation act for fiscal year 1911, \$773,097.49.

Gen. SHARPE. Mr. Chairman, that was the amount shown to be necessary at the time we made up the estimate, due to the increased cost, as shown by the note on the ration. But since making up the estimate, I find that the Army, at the last report, is about 4,000 short, and at the cost of 23.52 cents it cost \$85,638 for one year. Therefore, the 4,000 would make \$342,552, and that ought to be deducted from the \$773,097.49, making \$435,545.49, and that is shown also by the condition of our appropriation to-day. We will have about \$1,900,000 left on the 1st of April, and it takes \$775,000 and a little over that a month, so that the \$430,000 reached in this way will make us reasonably sure of getting through. If there is anything short of that we can throw it over into the next fiscal year.

The CHAIRMAN. Your estimate for 1911 was \$8,200,000, and Congress gave you \$8,700,000, or \$500,000 more than you estimated for this year.

Gen. SHARPE. That was the estimate as we were ordered to put it in. The estimate actually submitted by the office was for \$8,737,000, and we were directed to cut it down to \$8,200,000.

The CHAIRMAN. Was that direction made in anticipation of applying for a deficiency at the end of the year?

Gen. SHARPE. I do not know, sir; we had to reduce the price of the ration on the books in order to make it figure out.

The CHAIRMAN. Is there anything included in this except the ration?

Gen. SHARPE. No, sir.

The CHAIRMAN. Do you now estimate that this appropriation, with the addition of \$430,545, will be sufficient to carry you through to the end of the year?

Gen. SHARPE. Yes, sir; due to the shortage; but I understand, Mr. Chairman, that enlistments are increasing very rapidly.

The CHAIRMAN. Is it not also true that the cost of the ration is decreasing?

Gen. SHARPE. No, sir, Mr. Chairman. Our estimate was made for this last fiscal year for cost of the ration at 21.87 cents. I mean that is the way it was submitted to Congress. I submitted it myself for 23 cents, but we had to cut that estimate, and in order to do so the cost of the ration had to be reduced to 21.87 cents, when it is actually costing us to-day 23.52.

The CHAIRMAN. Are you buying by contracts?

Gen. SHARPE. Yes, sir.

The CHAIRMAN. Do you contract at the beginning of the fiscal year for the whole year?

Gen. SHARPE. No, sir; we contract some things like meat and vegetables for six months at a time; other things are bought monthly. As an illustration of how the prices are going, the prices of beef in the Department of the Columbia are very much advanced over what they were the last six months; so much so that for the posts in the vicinity of Seattle and Puget Sound we have to buy beef in South Omaha and ship it out in Seattle, and even then we get it, including the freight rates charged and drayage and cold-storage charges in Seattle, for three-quarters of a cent less than in Seattle. We are sending 60,000 pounds of beef a month out like that.

The CHAIRMAN. Dairy products have been greatly reduced during the last few months, have they not?

Gen. SHARPE. There has been a slight change, but that does not figure in our rations; it does not come in very largely in our ration, but of course it does affect it. Now, 23.52 cents was the price for the first four months; it does show for the five months 23.51 cents—that is one one-hundredth of a cent less on the cost of the ration; but I think that will be offset when the contracts for this fiscal year are operative, as shown by the price of beef.

Mr. DAWSON. Do you make a contract for beef covering the entire year?

Gen. SHARPE. No, sir; for six months at a time ordinarily. Now, there is another feature we are trying to avoid. We are trying to get beef in Alaska at a lower price; that is costing us almost 50 cents per pound, and we have an arrangement up there by which we issue a certain percentage of elk meat, which may be obtained for 20 cents a pound.

The CHAIRMAN. Reindeer?

Gen. SHARPE. Yes, sir; reindeer.

Mr. DAWSON. Then, under the contract, you are not able to take advantage of any fluctuations in the market during the period of six months.

Gen. SHARPE. No, sir.

Mr. DAWSON. Do you think that is the most advantageous manner of making a contract?

Gen. SHARPE. Yes, sir. You could not get people to bid on quantities which are small, and if they have to put in the methods and means of handling this meat, we would get very few bidders. The condition shown in Seattle is due to the very same thing.

Mr. DAWSON. Contracting for small quantities on short time?

Gen. SHARPE. Yes, sir.

STATEMENT OF GEN. CHARLES H. WHIPPLE, PAYMASTER GENERAL UNITED STATES ARMY, ACCOMPANIED BY MR. R. O. KLOEBER, CHIEF CLERK.

PAY OF THE ARMY.

The CHAIRMAN. General, we have here a supplemental estimate, contained in document 1393, an estimate from the War Department of \$500,000 for pay, and so forth, of the Army for the fiscal year ending June 30, 1911. Your appropriation for the current fiscal year was how much?

Gen. WHIPPLE. The total?

The CHAIRMAN. The total for this year.

Gen. WHIPPLE. It was between forty-five and forty-six million dollars.

The CHAIRMAN. How much did you estimate?

Gen. WHIPPLE. We estimated for \$1,000,000 more than they gave us; that is, after we had sent our estimates to the Secretary they were cut \$1,000,000.

The CHAIRMAN. The Secretary reduced them before sending them to Congress?

Gen. WHIPPLE. Yes, sir.

The CHAIRMAN. Reduced your estimate?

Gen. WHIPPLE. Yes, sir; reduced that estimate for 1911 \$1,000,000. It is a very difficult matter, Mr. Chairman, to estimate accurately on these appropriations. We try to do it with the greatest fairness and care, but we are dependent largely on recruiting. For instance, take this deficiency I am asking for: The enlistments in 1908 were very heavy, due to the increased inducements that came through the increased-pay bill. Now, these men are going out and we have been using a very large amount of money paying these discharged men. Now, at the same time, within the last few weeks recruiting in the Army is very active, and it is feared that we may be short on the appropriation and I am asking for this. However, I will say this at the outset, on yesterday we went over this matter very carefully and we think we can safely say to you that we can get along with \$300,000. But I do not think it would be advisable to go below that. It is a difficult matter to tell just what the strength of the Army is at present. The Adjutant General does not know.

The CHAIRMAN. What is the authorized strength of the Army?

Gen. WHIPPLE. The authorized strength is 100,000 men.

The CHAIRMAN. Does that include the seacoast artillery?

Gen. WHIPPLE. That includes the entire authorized strength, but the President limited the strength of the Army under this particular appropriation to 80,000 men.

The CHAIRMAN. What was the actual strength of the Army on the 1st of January?

Gen. WHIPPLE. We can not tell you. It is a hard matter to answer that. We have been a little short, but I can not tell you how much. I know this, that recruiting is very active.

The CHAIRMAN. Have you no system in the War Department by which you are able to determine at any time the actual strength of the Army?

Gen. WHIPPLE. No, sir; on account of the delay in getting the returns from these recruiting stations. We have the Philippines, Porto Rico, and other places, and the United States, but possibly that could be gotten by cable and telegraph. That is a matter that is entirely in the hands of The Adjutant General.

The CHAIRMAN. I understand that. I asked if you had a system in the War Department by which the head of the department or the commander in chief could tell what the actual strength of the Army was two months back?

Gen. WHIPPLE. Oh, yes; we could do that, within two months; yes, sir. I think, on the first of January, we were about 3,000 men short of the full 80,000.

Mr. LIVINGSTON. Is your estimate for pay, provisions, and everything else based on 80,000 men?

Gen. WHIPPLE. Yes, sir; based on 80,000 men. But these enlistments in 1908 were very heavy, and we are paying those off now.

The CHAIRMAN. Gen. Sharpe said a moment ago that the Army was short 4,000 men, and on the strength of that his estimate for subsistence was reduced from \$700,000 to \$430,000; and you estimate that it is short about 3,000 men?

Gen. WHIPPLE. That is simply an impression. Gen. Sharpe's figures may be correct, but I know that recruiting is very active.

The CHAIRMAN. That is all, General.

Gen. WHIPPLE. There are two other items there I would like to call your attention to. They are deficiency estimates in document No. 1367. These two items there, Mr. Chairman, for the relief of Capt. William T. Wilder, on page 13—

The CHAIRMAN. That is all taken care of.

Gen. WHIPPLE. I was going to ask you if it was—

The CHAIRMAN. We have full information on that from the notes, and we are only going to interrogate you with reference to matters about which we are not fully decided as to what to do.

NAVAL ESTABLISHMENT.

STATEMENT OF PAYMASTER DAVID POTTER, CHIEF BUREAU OF SUPPLIES AND ACCOUNTS.

PAY, MISCELLANEOUS, OF THE NAVY.

The CHAIRMAN. On page 59 of the bill there is an item of \$140,000 deficiency. Now, your appropriation for the current fiscal year was \$868,550, which is the exact amount of your estimate for this year.

Mr. POTTER. Yes, sir.

The CHAIRMAN. What is the reason that you are not able to keep within your estimates and the appropriation?

Mr. POTTER. I can not say as to why the needs were not foreseen more clearly, except for the reason that in those days the estimates

were really based on the transactions of two years before, because the estimates were made up in May before they were presented to Congress, or the May of the preceding fiscal year; so that you are really two years, so to speak, beyond. And then, in 1910, these estimates being based practically on two years to the rear, it was not clearly foreseen what would happen.

The CHAIRMAN. What was included in the expenditures; what are the principal items of expenditure under this appropriation?

Mr. POTTER. The principal items of this \$140,000 are mileage, transportation, and various traveling done by officers of the Navy, and there were in that connection more officers on the home station than in the preceding year, which was a part of the year in which the cruise was made around the world. There were more courts-martial and boards held to which officers had to travel by reason of the fact that the necessity for these things increased with the increase of the Navy and the number of enlisted men; also, there were a couple of hundred of additional midshipmen graduated from the Naval Academy, and that all made travel, as they are allowed 10 days' leave after graduation, and back again.

The CHAIRMAN. The total expenditure for travel, mileage of officers, and transportation is \$352,145.17; now, for the preceding year there was expended for the same items only \$281,782.92.

Mr. POTTER. Yes, sir. There was an increase of \$70,363.25.

Mr. LIVINGSTON. You say that grew out of the graduation of these midshipmen?

Mr. POTTER. Yes, sir; that was a part of it. Probably also another reason was that at the beginning of 1910 there was a more careful method of inspection than had existed before. There was more frequent travel from yard to yard of inspecting officers to watch and supervise their operation.

The CHAIRMAN. How did the pyrotechnic trip around the world affect the expenditures under this act, that was completed in 1909?

Mr. POTTER. Because many officers were put on board the fleet taking them away from other work, which was also probably necessary to make this trip, and necessarily there must have been a certain decrease in travel activities when the officers were not there to perform inspection duty that they would have performed at ordinary times.

The CHAIRMAN. Was that one of the economies resulting from keeping the ships afloat, to save the travel expenses of the officers of the department, is that it?

Mr. DAWSON. Does this additional inspection come as a result of the so-called Meyer plan?

Mr. POTTER. I can not say about that, sir.

The CHAIRMAN. There is one item also of \$38,217.61, expenditure in 1910, for traveling expenses of civilian employees.

Mr. POTTER. Yes, sir.

The CHAIRMAN. What is the nature of their service?

Mr. POTTER. That is for such things as lumber inspections. When we buy lumber we get expert men to issue out from Charleston and paces like that, to go throughout the South and through the swamps and mark out the lumber. A great deal of it is for that. These civilians are also employed to assist in the inspection of steel manu-

factured at Pittsburg and to assist in the inspection of boiler tubes, some of which are manufactured in Ohio.

The CHAIRMAN. Is any part of this unofficial travel?

Mr. POTTER. No, sir; it is always done under the order of the Secretary of the Navy, or in consequence of his authority. The order must always receive his approval, or the approval of the chief of the bureau concerned prior to the travel; afterwards all the orders receive his approval, or, if necessary, his disapproval. All these orders, every one of them, ultimately go through the Navy Department before forwarding them to the Treasury for final settlement.

Mr. DAWSON. That item would include the travel of officials of the Navy Department, the Secretary or the Assistant Secretary, I assume, would it?

Mr. POTTER. Yes, sir; it would.

ICE FOR NAVY DEPARTMENT.

The CHAIRMAN. I also observe you expended during the year 1910, \$18,210.14 on account of ice for the department and its bureaus. Was that expenditure made here in Washington?

Mr. POTTER. Yes, sir. I looked that up particularly and there seems to be two reasons: One was, there was a little more ice actually used, a greater consumption, and also because the contract for the year was something in excess of that for the preceding year. I have forgotten the exact figures, but it made the difference.

The CHAIRMAN. \$18,210.14 was expended for ice here in the Navy Department, here in Washington?

Mr. POTTER. In the Navy Department and its bureaus. That was an excess of \$5,000.

Mr. LIVINGSTON. There must have been something stimulating preceding that.

The CHAIRMAN. What do you pay for ice here per ton?

Mr. POTTER. I can not say, sir; I think about 24 cents a hundred pounds; it has been six months since I looked at that bill, but I think that was about it.

The CHAIRMAN. Do you have an ice machine in the State, War, and Navy Department building?

Mr. POTTER. No, sir; not that I know of.

The CHAIRMAN. Do you know whether or not the department has considered the matter of putting in an ice machine?

Mr. POTTER. No, sir.

The CHAIRMAN. Do you know of other departments that have put in ice machines at an expense of four or five thousand dollars and manufactured all the ice they needed at a cost of less than \$1 a ton?

Mr. POTTER. No, sir; I do not know about it.

The CHAIRMAN. That is a fact. You could put up four ice machines for the cost of ice in the Navy Department for one year.

Mr. POTTER. The building is under the charge of the War Department.

The CHAIRMAN. I know it is. And this appropriation, out of which you paid for ice for the Navy Department, is an appropriation for the Naval Establishment, and not for the Navy Department.

Mr. POTTER. Yes, sir; an appropriation for the Naval Establishment.

The CHAIRMAN. And you are prohibited from paying out of the appropriation for the Naval Establishment for any service whatever in the department in Washington unless expressly authorized by law.

Mr. POTTER. Yes, sir; that is true; but "pay, miscellaneous" covers various expenses in the Navy Department in Washington; that is what the appropriation is for.

The CHAIRMAN. Now, on examination, I find that in the sundry civil bill, in the current sundry civil act, an item for the purchase and installation of an ice plant for the State, War, and Navy Department building, \$9,000.

Mr. POTTER. What year is that, sir?

The CHAIRMAN. For the current year, 1911; it became available last July.

Mr. POTTER. Yes, sir; this is the preceding year—

The CHAIRMAN. I asked you to state if you had an ice plant in the building, and you stated that you did not have one.

Mr. POTTER. I stated that I did not know; that is what I intended to say.

Mr. KEIFER. Maybe they have not installed it.

The CHAIRMAN. I do not know whether they have or not, but I know the money has been appropriated for it.

Mr. LIVINGSTON. With whom do you make your contract for ice; with whom, and where?

Mr. POTTER. I do not know; I can easily find out from the records.

The CHAIRMAN. I won't be here when you come back next year with that information.

Have you anything else here, Mr. Potter?

CONTINGENT.

Mr. POTTER. Page 15 of the estimates, "Contingent, Bureau of Supplies and Accounts, 1909." It is next to the last.

The CHAIRMAN. Bureau of Supplies and Accounts, 1909?

Mr. POTTER. Yes, sir; \$6,364.76, on page 15 of the estimates; it is under the Navy Department. That is the amount that was reported by the auditor on account of adjustments he made and apparently on account of his switching over to 1909 accounts that we had charged either to 1908 or 1910, toward the end of the year. It is hard to tell, and it is often a matter of dispute between the Navy Department and the Treasury Department.

The CHAIRMAN. Has the man stated the correct amount?

Mr. POTTER. Yes, sir; it is an ascertained deficiency reported by the auditor. He says the following amounts were submitted by the Secretary of the Navy, but we did it only in response to his letter to us; that line is practically a mistake; that is a misplaced line. That came from the Navy Department, but only came because we were notified by the auditor for the Navy Department. It is not our deficiency, not of our own records.

Now, there are two little amounts on page 16, sir, with two footnotes under them; one is for \$1,282.50, and the other for \$151.78. The explanation is fully given.

The CHAIRMAN. They are ascertained deficiencies?

Mr. POTTER. Yes, sir.

The CHAIRMAN. That is all, Mr. Potter.

STATEMENT OF COMMANDER WILLIAM C. COLE, UNITED STATES NAVY, IN CHARGE OF BUILDINGS AND GROUNDS.**NAVAL ACADEMY.**

The CHAIRMAN. You are the superintendent of the academy at Annapolis?

Commander COLE. No, sir; I am not. I am representing Capt. Bowyer, who was unable to be present to-day; his health would not permit him to come to Washington.

The CHAIRMAN. We have an estimate here "Buildings and Grounds: To provide separate systems in Bancroft Hall for the disposal of the sewage of the building and of the drainage from the kitchen, \$10,000." Are you familiar with the necessities of that item?

Commander COLE. Yes, sir. I am the officer in charge of buildings and grounds at the Naval Academy. The showers, baths, closets, and slop receptacles of the main portion of the building drop down through a pipe which wyes in with the pipe which takes all of the drainage from the kitchen and mess hall of the midshipmen. Under some conditions, such as that of high tide in the river or of a stoppage due to grease coming down from the kitchen and meeting cold water, the stoppage is thrown below the wye of the junction of these two systems, in which case the upper system having the greater pressure, due to its height, would tend to overflow onto the floor of the kitchen. This has occurred in some instances, and the whole kitchen is unsafe, unsanitary, and dangerous to the health of the midshipmen.

The CHAIRMAN. Why was it not estimated for in the naval appropriation bill?

Commander COLE. It has been estimated for a number of times, but due to pressure in other directions it has been omitted from the bill. It has come to a head now, due to this last outbreak of typhoid at the Naval Academy in October. Possibly you may have read of it.

The CHAIRMAN. But why was it not inserted in the naval appropriation bill for this year?

Commander COLE. I presume it was not considered——

The CHAIRMAN. There is just as much time to estimate for it in the naval appropriation bill as to put it in another appropriation bill at this session.

Commander COLE. You will understand that the estimates for this appropriation bill, as far as we were concerned, were made up a year ago.

The CHAIRMAN. I know; but a supplemental estimate has been sent in for this?

Commander COLE. Yes, sir.

The CHAIRMAN. This was sent in in October, and it could have been sent in and gone to the Committee on Naval Affairs.

Commander COLE. The necessity for this——

The CHAIRMAN. Did I understand you to say that the cause of the last typhoid outbreak was traced to the defects in the sewage system there?

Commander COLE. I did not say that; but the condition was such that the board considered this should be rectified and rectified at once. The board did not definitely say, as I remember it now, or did not assign any definite reason as the actual existing cause for the last outbreak of typhoid.

Mr. LIVINGSTON. That scared the board and brought about this estimate?

Commander COLE. Yes, sir.

Mr. LIVINGSTON. Before you did that, did you examine the source of your drinking water? Where do they get the water?

Commander COLE. It is artesian water, sir.

Mr. LIVINGSTON. Not common well water?

Commander COLE. No, sir.

Mr. LIVINGSTON. How deep is the artesian well?

Commander COLE. Eight hundred feet.

Mr. KEIFER. Water is generally the source through which typhoid germs are passed into the human body, is it not? Is that not the understanding among physicians up there?

Commander COLE. I am not a medical man, General, but I think you are right, sir.

Mr. LIVINGSTON. This is a very important matter. Is the cooking and cleaning of the dishes, and everything of that sort, done with the water that comes from that artesian well?

Commander COLE. Yes, sir.

Mr. LIVINGSTON. There is where you will find your trouble.

The CHAIRMAN. But this is not the bill that it ought to have gone into. There is no doubt about the wisdom of rectifying this defect.

Mr. LIVINGSTON. There is no doubt about the typhoid fever bringing this estimate in.

The CHAIRMAN. I know it brought it in, but it has not gone to the right committee.

Commander COLE. It was too late to get it into the Naval Committee; the whole thing had been closed up.

The CHAIRMAN. It is not too late now. You can go to the Senate and get this in.

Commander COLE. I hope you will let it stay in the bill; we would like to rectify that condition down there.

The CHAIRMAN. I agree it is necessary, but the item ought to go into the naval bill.

ADDITIONAL AMOUNT REQUIRED FOR TRANSFER OF POWER PLANT.

The CHAIRMAN. The same is true of the next item. "For additional amount required for the transfer of the power plant and for the completion of the installation of the new power house, \$28,800."

Commander COLE. This is necessary, gentlemen, in order to put apparatus into this particular power house in order to effect an installation which can be economically and properly run.

The CHAIRMAN. You must appreciate the fact that this is not the Naval Committee; that committee has jurisdiction over all of these items, and they properly belong there. They are not deficiencies.

Commander COLE. I would like to show you why I would consider this item particularly a deficiency. It is absolutely necessary that this question be settled this summer, because the old power plant,

which is now operated to supply the academy with the necessary lights, power, water, and so forth, is just about on its last legs. This winter has been a very trying one in our attempt to keep the thing moving. If this new power plant is not in shape so that we can get into it in the fall we will not be able to operate this old power plant another year; that means the place down there practically stops.

STATEMENT OF REAR ADMIRAL R. C. HOLLYDAY, CHIEF BUREAU OF YARDS AND DOCKS.

The CHAIRMAN. Your appropriation for the current fiscal year, under the Bureau of Yards and Docks, is \$1,290,000?

Admiral HOLLYDAY. Yes, sir.

The CHAIRMAN. That was supposed to carry you through the year; you now have a deficiency of \$200,000 for this fiscal year.

Admiral HOLLYDAY. Yes, sir.

The CHAIRMAN. What was the occasion for that deficiency?

Admiral HOLLYDAY. The previous year we had \$1,500,000, and that fall the Secretary had in mind certain changes in some of the bureaus, and in the revised estimates which were sent up he put work under the Bureau of Steam Engineering, estimated to cost \$250,000; consequently "Maintenance Yards and Docks" was reduced \$250,000, and steam engineering was increased by that amount. When the Naval Committee came to consider this matter, they did not adopt the revised estimates of the Secretary of the Navy that had increased steam engineering \$250,000, but left the reduction under maintenance of yards and docks. Then, at the same time there was a new cost accounting system going in, and it was determined that we had better try to get along with the amount of money reported by the committee, if we could; but we have found out now that we can not do it. We have exactly the same duties as heretofore and the same expenditures to make as when we had \$1,500,000.

That is the reason for the deficiency. After the accounts of the first quarter were received we tried to reduce the expenditures still further, but find that it will require at least \$200,000 to carry us through the year. Unless the appropriation is granted some of the navy yards will have to close. This appropriation feeds the horses, buys coal, pays for the men that look after the garbage; the heating, lighting, and all that sort of thing; it is a necessary thing, and is the one appropriation that the navy yards can not operate without. It pays for all the daily uses.

The CHAIRMAN. I observe in the note, Admiral, that this reduction of \$250,000 was made upon the "theory that the introduction of the new cost-accounting system would relieve the Bureau of Yards and Docks of certain charges for industrial heat, light, and power used by other bureaus." I also observe that the estimated deficiency is accounted for in part by the fact that this so-called new cost-keeping system has not resulted in the economies that were anticipated. Is that the fact?

Admiral HOLLYDAY. Well, probably; I was very much in doubt as to what it would result in.

The CHAIRMAN. In other words, this is the language of the note:

It now appears that the anticipation of the chiefs of Bureau of Supplies and Accounts and Yards and Docks that the charges borne by the appropriation "Maintenance" would be materially reduced by the new cost-accounting system is not borne out by experience.

Admiral HOLLYDAY. Well, so far as I am concerned I acquiesced in that action at the time, because I could not tell, and I do not believe anybody could tell, what was actually going to take place. I never had very much confidence in it, and, as a matter of fact, I have on record a letter in which I stated I did not think we could get along with the amount appropriated, but the Secretary thought it was best to try to get along, and we did try to get along, but we found at the end of the first quarter of this fiscal year we could not do it.

The CHAIRMAN. The Secretary was very confident he could get along, was he not, and he felt that this cost-keeping system would effect this reduction?

Admiral HOLLYDAY. Well, I do not know that I talked with the Secretary about it. He approved of the scheme, of course, or he would not have authorized it.

The CHAIRMAN. Well, to some extent, that was the cause of the controversy between the Secretary and certain officers of the Navy?

Admiral HOLLYDAY. I think that was one of the causes with one of the officers.

The CHAIRMAN. Because they did not approve of this plan on the ground that it would not be economical?

Admiral HOLLYDAY. I do not know; I could not say that that is a fact, because I think the officer you refer to was the author of one cost-accounting system, but whether it is this same one or not I do not know. Now, it is a very complicated thing; I never understood it; it was something beyond me, but I thought I would just wait and see how the thing turned out, and that probably I would find out afterwards. I think it is a step in the right direction, but the details of it probably have not worked out as was expected they would.

The CHAIRMAN. Experience would seem to indicate that this is a step in the wrong direction.

Admiral HOLLYDAY. Well, I could not say; but I could not see how we were going to get along on \$1,250,000 when before it took \$1,500,000. But I acquiesced in this thing, as we must do, and I did the best I could to get along with the amount of money appropriated, and it was only when I found out that several of the navy yards would have to shut up unless we asked for a deficiency, that I went to the department about it.

Mr. LIVINGSTON. What particular harm would come to the service if these navy yards were shut up?

Admiral HOLLYDAY. A great deal of harm in a number of ways and the greatest inconvenience would result. We have cattle there that would have to be fed; we have contracts that would have to be carried out; we have buildings there that require fire protection, and they must be looked after; if the heat was shut off from the buildings for any length of time they must naturally be ruined; we have men there under the civil service who have been there for years performing their duties, and they would be thrown out. It would

result in harm in every direction; I can not think of any direction but what the Navy would be injured.

Mr. KEIFER. The loss would be greater than the maintenance?

Admiral HOLLYDAY. Yes. It is absolutely a thing that should be provided.

NAVY YARD, BOSTON, MASS.

The CHAIRMAN. The next item is, "Navy yard, Boston, Mass.: Building No. 24, reconstruction of, \$65,000."

Admiral HOLLYDAY. That is a building that burned down last September. It is one of those buildings built some time ago of very solid construction; built of granite; it is between the old and new dry dock; it is a building 200 feet long and 70 feet wide, of solid construction, but the floors and roof were wood. There was the ground floor, the second floor, and then up in the attic there was a floor which was used. The naval constructor's offices were on the second floor, and the other floor was used for the electrical shop and machine shop. And that building burned down, and we want to save those walls and make a fireproof building there. To do that we should put on a steel and concrete roof, and reinforced concrete floor on the second floor and make a new floor on the bottom floor; it would be a two-story building. It is well located, and it would be entirely to the Government's interest to fix the building as soon as we can.

Mr. KEIFER. Would you put up a third floor?

Admiral HOLLYDAY. No; we would not put a third floor in.

The CHAIRMAN. Why was this not estimated for in the naval appropriation bill? It belongs there.

Admiral HOLLYDAY. Well, it was taken up, and the department had several reports and was trying to make up its mind as to what it would do, and in the meantime the time had passed and the estimate had gone into the Naval Committee and actually been acted upon by the committee before the department finally determined they wanted to restore the building. And that is the reason it comes up in this deficiency bill.

The CHAIRMAN. Well, it could have been estimated for and sent to the Naval Committee just as soon as it was estimated for here. The naval appropriation bill was only reported a short time ago.

Mr. KEIFER. And it is now being discussed on the floor. But is there any great difference?

The CHAIRMAN. Oh, yes; it swells the deficiency appropriations and decreases the naval appropriations that much.

Mr. LIVINGSTON. What makes this a deficiency?

Admiral HOLLYDAY. It is not a deficiency; it is simply one of the things that could come under the deficiency bill if the committee saw fit to so report.

The CHAIRMAN. I believe that is all, Admiral.

Admiral HOLLYDAY. There are two actual items of deficiency, but I do not know that you want to hear from me about them.

The CHAIRMAN. They are ascertained deficiencies?

Admiral HOLLYDAY. Yes; reported by the auditor.

The CHAIRMAN. Well, we accept those without any explanation.

**STATEMENT OF COMMANDER E. E. CAPEHART, ASSISTANT CHIEF,
BUREAU OF ORDNANCE.**

The CHAIRMAN. Are you the chief of the Bureau of Ordnance?

Commander CAPEHART. No, I am sent down here by Admiral Mason; I am the assistant chief of the bureau.

NAVAL MAGAZINE, FORT MIFFLIN.

The CHAIRMAN. You have a deficiency estimate here of \$10,000 "For dikes, embankments, spillways, and filling in lowlands." Will you explain the necessity for this appropriation?

Commander CAPEHART. An appropriation was passed by Congress to deepen the channel of the Delaware River up toward the city of Philadelphia, and the contract for dredging out the river was let by the Army to contractors and they wanted a place to dump the dirt, and they made a proposition to the inspector of ordnance in charge at Fort Mifflin that they could dump their dirt there and reclaim the swamp land in front of our magazine at that place. It would result in reclaiming about 40 acres. Now, they require us to have a mud wall, a mud embankment put up and then they dump inside of that and fill up. In order to do that, of course, the sewers and sluices have to be prepared to drain off the water, and there were some places which had to be filled in there. The thing was referred to the Secretary of the Navy and he considered it a very good business proposition, that is, to reclaim these 40 acres of land, at a cost of \$10,000.

The CHAIRMAN. No part of this money is to be expended for dredging?

Commander CAPEHART. No, sir; it is entirely for the filling in of the swamp land.

The CHAIRMAN. It is hydraulic dredging, is it not?

Commander CAPEHART. Well, it is hydraulic dredging in a way. They have to dump it into a lighter or scow and run it into the place where it is intended to go, because the army engineer does not permit the contractors to us hydraulic apparatus in the river there.

Mr. DAWSON. Is that the nearest point at which the contractors can dump this material?

Commander CAPEHART. No. They proposed to do this for us early last fall for \$8,000, but we did not have the money, and as they were required to wait until we would see if Congress would give us the money, they now require \$10,000, because in the meantime they had to buy land and provide a dumping place for the material they took out of the river.

Mr. DAWSON. Do we need 40 acres of additional land at that naval magazine?

Commander CAPEHART. Well, we will, eventually. We do not need it to-day, nor will we need it in a year from now, but we will need it in a few years, because our Navy is extending and we are requiring new buildings every year or so—new magazines, new shell houses—and this land will be high land. Now, the magazine proper is liable to be overflowed when the high tides come in the river, and if this land could be reclaimed it will be built up so it will be high

enough to be free from that overflow. It was considered to be a good business proposition to get that land.

Mr. DAWSON. Do you think the land would be worth a thousand dollars an acre when we get it?

Commander CAPEHART. I think it would, the way land goes around Philadelphia now.

The CHAIRMAN. How far is this from Philadelphia?

Commander CAPEHART. It is a ride on the street car, down to the navy yard, of about 20 minutes, and it is right across the river from the navy yard.

Mr. DAWSON. It would cost a thousand dollars an acre by reason of the fact stated in the note here, "If this amount is allowed, an additional \$30,000 will be required in the next annual estimates for riprapping, etc."

Commander CAPEHART. Well, that riprapping has got to be done, because the Army Engineer will not allow that thing to rest longer than a year without riprapping for fear the stuff would wash back into the river and fill it up.

STATEMENT OF REAR ADMIRAL CHARLES F. STOKES, SURGEON GENERAL AND CHIEF BUREAU OF MEDICINE AND SURGERY.

MEDICAL DEPARTMENT.

The CHAIRMAN. The first item is "To supply a deficiency in the appropriation 'Medical Department,' including all objects mentioned under this title of appropriation in the naval appropriation act for the fiscal year 1911, \$50,000." Your appropriation for this fiscal year was \$315,000, which is the exact amount that was estimated. Why is it the amount estimated and appropriated is not sufficient to meet the demands of the service for this year?

Admiral STOKES. There have been a number of ships put in commission, according to the Bureau of Navigation's report, some 21, and I believe there are 31 recommissioned. There has been an increase of something like 3,000 men. We estimate \$5 a head, so that would bring it up to \$15,000. The ships have been cruising more extensively than they have heretofore, which calls for a larger expenditure by the Medical Department. Then there is the question of the wages of civil employees. We have had to raise their wages a little all along the line, especially in some communities. The liabilities act, which looks out for the first-aid treatment of some 20,000 employees in navy yards, has gone into effect and we have got to look out for those men.

The CHAIRMAN. How does the liability act impose any expenditures on this appropriation?

Admiral STOKES. Because it calls for expenditure for surgeons' supplies, dressings, some drugs, splinting apparatus, etc.

The CHAIRMAN. Did you not perform that service before the liability act went into effect?

Admiral STOKES. Not to any extent; occasionally, in emergencies, these men were looked out for. Now they come and their history is taken, they are followed up to look out for the question of pay and lying up for a given period, and all that sort of thing; they are followed up very carefully.

The CHAIRMAN. When a vessel is put in commission the stock of medicines and drugs it is to carry is taken from this appropriation?

Admiral STOKES. Yes; and it amounts to something like \$2,500 to \$3,000.

The CHAIRMAN. For each ship?

Admiral STOKES. Yes, sir. There are a number of ships now held in reserve, and a large stock of medicines and appliances is kept on board, where heretofore it had been turned into the supply depot, and from there served out to other ships. Then we have put into commission two hospitals, one the former hospital ship *Relief* at Olongapo, and a small hospital at Guam, which are drawing on this appropriation.

The CHAIRMAN. Have they got two hospital ships now?

Admiral STOKES. One hospital ship, the *Solace*, the other is now called a floating hospital, at Olongapo.

The CHAIRMAN. What was the amount of the unexpended balance of your appropriation January 1, this year?

Admiral STOKES. In the Medical Department?

The CHAIRMAN. Yes; this appropriation.

Admiral STOKES. \$19,444.

STATEMENT OF COL. GEORGE RICHARDS, PAYMASTER.

MARINE CORPS PAY.

The CHAIRMAN. Colonel, the deficiency items for the Marine Corps are on page 68.

Col. RICHARDS. I will file, in connection with them, a copy of the official report to the Navy Department covering this matter, and will read to the committee just what is essential.

Referring to the instructions contained in the department's communication, dated the 19th instant, calling for estimates for appropriations to be incorporated in the general deficiency bill, this Congress, there are transmitted herewith estimates setting forth items for appropriation aggregating \$268.40 under the Paymaster's Department, which it is desired be considered in this connection. This amount is composed of the following, to wit: In the accounts of Lieut. Col. William C. Dawson, assistant paymaster, \$148.03; in the case of Maj. Harold C. Reisinger, assistant paymaster, \$66.41; in the case of Capt. Davis B. Wills, assistant paymaster, \$53.96.

These sums have been either altogether disallowed or are subject to disallowance by the accounting officers of the Treasury Department, under decisions of the Comptroller of the Treasury, dated April 22 and June 30, 1910. They represent, mainly, payments of foreign service pay to certain enlisted men of the Nicaraguan Expeditionary Brigade, while they were in transit either from, or to, the United States, to or from foreign shore duty, and include similar payments to men returning from shore duty abroad, who were properly in receipt of foreign service pay, and who were originally assigned to such duty from service afloat. These payments were made prior to the date of these decisions, the enlisted men who received same having since severed their connection with the Marine Corps. The amounts are not, therefore, now recoverable by these paymasters.

In each instance these payments were made in absolute good faith and in accordance with the law as it was then understood. The service actually rendered by this expeditionary force is service which had uniformly been compensated for at foreign service rates, under the act of March 2, 1901. The accounting officers rest their position in the one particular, upon the point that, inasmuch as the written orders under which the Nicaraguan Expeditionary Brigade was assembled did not then reveal or evidence the destination of such force as "shore duty * * * beyond the continental limits of the United

States," such force was not to be considered as having been detailed for "shore duty beyond seas" in such a sense as the act of March 3, 1901, contemplates, even though, as a matter of fact, they ultimately performed duty defined by such law as "shore duty beyond the seas." Such omission of evidence of such destination from written orders is usual. There is no sufficient reason for each officer to be so informed of the Government's purposes; in fact, sound public policy, or reasons of state, presented, in this instance, ample cause for their orders being framed as they were. The insertion of such proviso, in the act of March 3, 1901, is one of those rare instances where Congress has seen fit to itself interpret the meaning of its own laws; the necessity therefore being, in this case, that the words "shore duty beyond seas," as contained in the act of March 3, 1899, had been construed by the accounting officers to signify intent contrary to the purpose of Congress. Such situation, which Congress so corrected, did not touch the pay of the Marine Corps.

In these circumstances, the amounts so charged against these paymasters appear to this office to rest upon a technicality, pure and simple, such as it has been the practice of the department to recommend, and the Congress to allow, as an act of justice and in the manner proposed, the necessary relief to paymasters who have acted in good faith where the sums paid are not otherwise recoverable.

The CHAIRMAN. You say it has been the practice for Congress to allow these items. Can you cite any case to us?

Col. RICHARDS. I will cite one case that I presented myself to the committee, this very committee about two years ago. That instance was this: I had paid, while at San Francisco, to enlisted men who were discharged, travel allowance which was fixed by law and which was determined upon by distance—that is, the shortest distance between the place of discharge and the place of enlistment of these men. Now, these transcontinental roads, from time to time, as you know, shorten their distance, and in this case this shortening of the distance was not a fact known to me as a disbursing officer, although I had taken all proper steps in the beginning to arrange for my being informed of such a situation, but through the fault of others I was not informed, and as a result some \$50 or \$60 was charged up to my account. I came to this committee, after the Navy Department had fully approved and recognized the justice of my case, and represented the facts, and I said that in that case this was a technicality, and everybody agreed it was, and I asked that Congress itself allow what the Treasury Department was not permitted under the law to allow.

The CHAIRMAN. That is what you mean by "practice"? You have no case that is parallel with this Nicaraguan case?

Col. RICHARDS. No, sir; there are no cases exactly parallel to the Nicaraguan case.

The CHAIRMAN. I remember the item that you refer to.

Col. RICHARDS. The Nicaraguan case is just one of those cases where there is a fine point of law. Disbursing officers are not lawyers; we are guided by decisions made by the comptroller as they are rendered.

The CHAIRMAN. Let me ask you: Did the disbursing officer disburse this money because of the fact that these men were doing shore duty away from home?

Col. RICHARDS. Yes, sir.

The CHAIRMAN. And did not take into consideration the technical point that their detail did not expressly state where shore duty was to be performed.

Col. RICHARDS. Yes. You see there were a number of laws passed at the same time. Foreign-service pay has always been understood to be regulated exactly upon the Army status—that is, the law says that a man going to foreign-shore duty and performing foreign-shore duty should receive a certain rate of pay while performing that duty and for the time he is there and for the time he is returning from it. We have always paid that. And then this other law came into the situation which, as I described in that report, was a law intended to correct a situation which applied exclusively to the pay of officers of the Navy. I will explain that. The act of March 3, 1901, provided shore-duty pay for officers of the Navy who were detailed for shore duty beyond the seas, and after that law was passed the Treasury Department ruled that the shore-duty pay beyond the seas did not cover the case of officers serving in Guam, the Philippines, and in Honolulu, or in any other place where the territory was actually territory of the United States, but it did apply to service in Cuba, which was a foreign country. Well, the people who wrote that law in the Navy Department intended to give to the officers who were serving in these particular places that rate of pay, and there was an issue between the Treasury Department and the Navy Department, and it had to come to Congress to be corrected. Then Congress went ahead and defined what the meaning of shore-duty pay beyond the seas was, as named in this law, for officers of the Navy. The words "Marine Corps" got into that law, but that act of March 3, 1901, was never applied to the Marine Corps and we never understood it had any bearing upon this situation, which touched the pay of enlisted men as well as officers of the Marine Corps.

The CHAIRMAN. Well, was this service actually rendered on shore?

Col. RICHARDS. These particular men, whose pay is affected, these enlisted men, actually went on shore duty at Panama, where they were held as a reserve in view of the Nicaraguan situation. They landed in Panama, did duty in Panama, and their landing in Panama was upon a specific order given at the time they were in the harbor at Colon. They were actually landed there by reason of an order issued by the Secretary of the Navy, but you see the order was not given at the time they left Philadelphia. If that order had been made then there would have been no doubt about the law covering their cases. They were paid the shore-duty pay while serving there, and then they were paid again when they came back. Now, the point was as to those five days that those men were returning. There were about 1,800 men who came back, and this foreign-service pay covers those men for the time they were returning. Then the other case is the case in Col. Dawson's account, where quite a number of enlisted men were on board ships of the Navy, and these ships touched in Philippine waters. These men were landed in the Philippine Islands and did duty there for about a year; I won't say a year in all cases, but at different times, and probably some of them stayed there for a year and a half. Then they returned home—they were ordered home—and for the time that they were ordered home the paymaster paid them the foreign-service pay, and that is disallowed. Now, if these particular men had been ordered from the United States to go out to the Philippines, did duty there, and returned, there would have been no question. In fact, I guess in these particular cases it will be found that there were two enlisted men returning on the same transport,

one of them under the legal situation of the act getting foreign-service pay for the time he was returning home, while the other man would not, merely because of a technicality.

Mr. DAWSON. Because of the point at which they received the order?

Col. RICHARDS. Yes, sir. The point where the order was given. And this came as a surprise to the entire department. We are now performing all of those decisions as best we can.

The CHAIRMAN. The Nicaraguan expedition did not go down there on its own motion?

Col. RICHARDS. No, sir.

The CHAIRMAN. Somebody ordered them to go?

Col. RICHARDS. Yes; but for reasons of state, the orders were not revealed to the officers composing—

The CHAIRMAN. But, as a matter of fact, they were ordered there?

Col. RICHARDS. They were ordered there.

The CHAIRMAN. They did not go there voluntarily, and you said a moment ago that if the order had been written in the United States—

Col. RICHARDS. Let me explain my point. If they were going to a particular place for a particular duty, their case would then come in under the law, but the order was not issued in that way. They were organized and they were dispatched by the Navy Department somewhere.

The CHAIRMAN. Suppose the auditor had been informed by the commander of that expedition, or by the officer here in the department who sent them, that they were in fact ordered, do you think he would have ruled as he did?

Col. RICHARDS. I venture to say the actual orders that the commander had would not touch the situation. It altogether depends upon what was in the mind of the supreme authority here in Washington at the time.

Mr. KEIFER. There is no dispute about the order being made to send them down to that country, but that order, however, did not cover the matter of their doing shore duty down there?

Col. RICHARDS. No, sir; it did not.

Mr. KEIFER. And that order was subsequently issued by the commander of the Navy down there, was it not?

Col. RICHARDS. No; it was issued by the Navy Department here, that they should land after they had reached the waters.

Mr. KEIFER. Well, was that issued at the same time they were ordered down there or afterwards?

Col. RICHARDS. It was issued at the time they were in the harbor at Colon—that was the time.

Maj. REISINGER. They arrived on the night of the 23d of December, and on the morning of the 24th of December they got the order to land.

The CHAIRMAN. When were these men ordered down there?

Maj. REISINGER. That regiment left December 16, 1909, and arrived in Colon on December 23, in the evening, and on the morning of December 24 they were landed by order from the Navy Department.

The CHAIRMAN. They went down in what vessel?

Maj. REISINGER. They went down on the *Prairie*, I think.

The CHAIRMAN. And it stuck in the mud before they got started?

Col. RICHARDS. Yes, sir.

STATEMENT OF LIEUT. COL. CHARLES L. McCAWLEY, OFFICE OF QUARTERMASTER, MARINE CORPS.

PROVISIONS.

The CHAIRMAN. The next item is, "For provisions, Marine Corps, including items specified under this head in naval appropriation acts, for fiscal years as follows: For the fiscal year 1911, \$70,000."

Col. McCAWLEY. That is due to the increased cost of provisions more than anything else. We submitted in our estimates for that year an increase of \$50,000, but it was not allowed, and now we are confronted with a deficiency which will amount to \$70,000—\$20,000 more than the amount that was asked for.

The CHAIRMAN. Your appropriation for this fiscal year is \$723,543, which is the exact amount that you estimated for last year?

Col. McCAWLEY. Well, it is the exact amount that the department allowed us to estimate for, Mr. Chairman; the department cut our estimates down; we asked for that much more, but we were not allowed to have it. This is due entirely to the increased cost of provisions. It may be interesting to you to know that since 1907 we have had an increase of 32.4 per cent in the amount of our provisions.

The CHAIRMAN. Will your experience within the past three months lead you to believe that there will be any reduction in the cost of provisions?

Col. McCAWLEY. No, sir; because our contracts are made for the whole year.

The CHAIRMAN. You make contracts for the entire year for provisions?

Col. McCAWLEY. Yes, sir.

The CHAIRMAN. At the beginning of each fiscal year?

Col. McCAWLEY. Yes, sir.

The CHAIRMAN. Are you required by law to do that?

Col. McCAWLEY. Yes; as I understand it; we have always done that.

The CHAIRMAN. Well, that would not indicate or prove that the law requires it?

Col. McCAWLEY. I can not say.

The CHAIRMAN. The Navy Department makes contracts for six months.

Col. McCAWLEY. We are now inaugurating a new system in the Marine Corps by which we are buying rations under component parts, making contracts for each component part; heretofore a ration has been contracted for as a whole, and under this new system we are making semiannual contracts; but it is only in operation now at four stations, but will be in operation after the 1st of July at all the stations of the Marine Corps. This effects some saving in the cost of the rations, but it is not a very material one.

The CHAIRMAN. What was the amount of the unexpended balance on the 1st of January, 1911, at the end of the first half of the fiscal year?

Col. McCAWLEY. I can tell it to you on the 21st of January, which is practically the same thing. It is \$241,000. Now, we will require for the balance of the year, counting January's bills, which were not

paid when this balance was taken, \$311,000, based on an average monthly expense of about \$50,000, and then, with some allotments we must make to Peking, where we have a force at the legation, and to pay for subsistence at the Navy Hospital, and to pay for subsistence furnished on Army transports, the total will amount to \$311,000, so that it will leave us \$70,000 short. That is in round numbers; I can give you the actual figures in cents if you wish them.

FUEL, MARINE CORPS.

The CHAIRMAN. The next item is on page 69, "For fuel, Marine Corps, including items specified under this head in the naval appropriation act for the fiscal year 1911, \$15,000." That is an estimated deficiency?

Col. McCawley. That is an estimated deficiency.

The CHAIRMAN. And in that case your appropriation was \$137,000, and your estimate was \$137,000?

Col. McCawley. There again, sir, we asked, in our original estimates to the Navy Department, for \$35,000 more and we were cut down \$35,000, for which we asked Congress and we only got \$25,000, which left us \$10,000 short. Now, this winter has been a very serious one on our fuel appropriation and we have used it up, or, we will use it up, and in addition we have several new buildings which must be heated; the new quartermaster's depot at Philadelphia, new marine barracks at Philadelphia; new barracks and officers' quarters at Charleston, S. C.—but we will not get into those barracks very soon—and enlarged barracks at New London.

The CHAIRMAN. Now, the real responsibility for this deficit lies with the officer who reduced your estimates?

Col. McCawley. Yes, sir.

The CHAIRMAN. And not with Congress and not with the Marine Corps?

Col. McCawley. No, sir. We have put in estimates which we fully believed would meet the requirements of the service.

The CHAIRMAN. Now, if these estimates were reduced to bring the aggregate of the estimates within the estimated revenues, and if we increased the appropriation by allowing you these deficiencies, we might thereby increase the appropriations beyond the estimated revenues and in that way violate the law, which requires the President to either bring the estimates within the estimated revenue or propose new sources of taxation to make up the deficit.

Col. McCawley. Of course, as to fuel, it is an absolute allowance, provided by regulation, for both officers and men.

The CHAIRMAN. It is a matter, therefore, that ought not to be very difficult to ascertain, that is, it ought not to be very difficult to ascertain the exact amount necessary?

Col. McCawley. We can, in almost all cases, do it, sir, and if we had gotten the amount we estimated for it is possible we might not have had a deficiency, because I am only asking in this estimate for \$5,000 above our original estimates, that is, \$15,000 instead of \$10,000.

The CHAIRMAN. If the service should suffer in consequence of your not getting these deficiencies the head of the department would be responsible and not Congress?

Col. McCawley. That is about it, sir. At the present moment we have a balance in that appropriation of \$42,000, and on our average monthly expenses we will require \$57,000 for the balance of the year, so the amount is just \$15,000.

The CHAIRMAN. You will need \$15,000 to carry you through?

Col. McCawley. To carry us until the 1st of July. It is possible we may save a little between now and then, depending upon the weather very largely. You do not care to go over the other small items?

The CHAIRMAN. The others are all ascertained deficiencies?

Col. McCawley. Except in one case, sir; and that is the item for the barracks at Charleston, where we are asking for \$6,000, in order to put in the lighting and heating equipment and the kitchen equipment.

The CHAIRMAN. All right, we will consider that item.

Col. McCawley. If you will permit I would like to say a few words about it, sir. We had an appropriation of \$50,000 for that building, and in awarding the contract Col. Denny, who was then the quartermaster of the Marine Corps, recommended that the contract be awarded on the lowest bid that we had, and stated that he would reserve a balance sufficient to complete the building, and he thought he had done so; but in making his statement he overlooked the payments to the architect, his commissions, and certain other work, the construction of sewers, and so forth, and when those were taken out it leaves us with a balance of \$700, and we require \$6,000 to put in the lighting fixtures and kitchen equipment.

The CHAIRMAN. When will the building be completed?

Col. McCawley. It is completed now, but the men can not go into it; they can not live in it, because it is not lighted or heated and has no kitchen equipment. The building is there by—

The CHAIRMAN. How many men have you there?

Col. McCawley. There are about 150, sir.

The CHAIRMAN. Where are they quartered now?

Col. McCawley. They are quartered in an old frame building which is in the rear of the present barracks. This is a little brick building and a very creditable building, built at a very reasonable cost. It is one of the most creditable buildings we have in the service, and the cost was extremely reasonable; I think I might say it did not cost more than 15 cents a cubic foot, but unfortunately these things are omitted and the men can not live in the building.

Mr. Dawson. Could you not quarter the men in that magnificent red brick building that is used for the storage of lumber?

Col. McCawley. I think it is possible we might, sir, if the Navy would turn it over to us.

Mr. Dawson. Oh, yes; that is under the Navy.

The CHAIRMAN. Is that building used by the Navy for the purpose for which it was constructed?

Col. McCawley. The lumber shed?

The CHAIRMAN. Yes.

Col. McCawley. That I am unable to say; I have been to that yard but once, and I do not know the building Mr. Dawson refers to.

INTERIOR DEPARTMENT.

STATEMENT OF MR. EDWARD B. MOORE, COMMISSIONER OF PATENTS.

PAYMENT TO JOHN ALLEN HEANY.

The CHAIRMAN. The first item in which you are interested is:

For reimbursement to the appropriation for contingent expenses, Department of the Interior, 1911, of expenses incurred in the investigation instituted in the Patent Office to determine the validity of certain applications for patent for electric lighting, filed by one John Allen Heany, including traveling expenses, expenses of witnesses, cost of copies of testimony, and other expenses incident to the investigation, \$2,500, to remain available until used.

Has this investigation been made?

Mr. MOORE. It is going on now, Mr. Chairman. It resulted from a criminal charge. Three men were indicted, Everding, Barton, an assistant examiner, and John A. Heany. Two of them were convicted in the criminal court at Washington and they are now serving their terms in the penitentiary. Heany was not convicted, but we came into possession of some additional evidence, relating to the application filed for this Tungsten light, and I issued an order to show cause why the application should not be stricken from the files, and counsel appeared before the office and we had to go into this investigation, which has now consumed three weeks and which probably will consume three or four weeks longer, necessitating the calling of witnesses from various parts of the country and the printing of a record to go to the court of appeals. We had no fund whatever to pay for this investigation, which was absolutely necessary in order that the public interests should be protected.

The CHAIRMAN. This money is not to be expended for employees in your bureau who are employed in this investigation?

Mr. MOORE. Not at all; no, sir. This application covers subject matter which is also involved in applications filed by various interests. It is an investigation which is of great value, and it has been stated that the sales amount to about \$3,000,000 a year. In other words, the patent if obtained by any one of these concerns will be worth millions. They have placed it at \$10,000,000 or \$15,000,000. We are now making a thorough investigation and examination of the witnesses and all that. Being an unusual proceeding for the Patent Office there is no fund from which we could pay the expense.

The CHAIRMAN. You have a number of witnesses from different parts of the country for the purpose of testifying in this investigation?

Mr. MOORE. Yes, sir; they are from New York and Chicago and all around.

INTERNATIONAL UNION FOR PROTECTION OF INDUSTRIAL PROPERTY.

The CHAIRMAN. On page 4 there is the item "For International Union for Protection of Industrial Property: For additional amount required for defraying the expenses of the next meeting of the International Union for the Protection of Industrial Property, to be held

at the city of Washington, D. C., in May, 1911, \$15,000." First, let me ask you what is the nature of this property which is designated as industrial property?

Mr. MOORE. Patents and trade-marks.

The CHAIRMAN. Is it confined exclusively to patents and trade-marks?

Mr. MOORE. Almost exclusively.

The CHAIRMAN. What is the purpose of this international meeting?

Mr. MOORE. It is to harmonize the laws of the various nations in regard to trade-marks and patents, especially trade-marks. We had the subject up in South America, if you remember, last summer, and I was sent down there as an expert by the President.

The CHAIRMAN. How many more meetings will it require in order to harmonize these laws?

Mr. MOORE. All the nations of Europe and elsewhere, except South America are adherents of the Treaty of Paris of 1883, which provides for these congresses. This congress was invited to meet in Washington by President McKinley in 1897, but it seems the matter was lost sight of by the State Department, and when I attended the international conference at Stockholm, they approached me and expressed very great pleasure at the prospect of meeting in Washington the next time. I knew nothing about it. When I came back and mentioned it to the State Department officials they did not seem to know of it, and they asked me to write them a letter and they would look it up, as it involved the honor of the country. However, they have all been invited and accepted under the Treaty of Paris of 1883, and, as you will remember, you appropriated \$10,000 for that purpose. Since then they have invited all the South American countries, which is more countries than previously thought of or invited and it will more than double the delegates.

The CHAIRMAN. Your note says that it will increase the number of delegates by 60?

Mr. MOORE. Yes, sir.

The CHAIRMAN. And you originally contemplated only 100?

Mr. MOORE. Yes, sir.

Mr. DAWSON. In your letter of July 9, 1909, you estimated on the basis of 150 delegates for \$15,000, which would be \$100 per delegate. If you increase the number 60, will you need all of the \$15,000 in addition to the \$10,000?

Mr. MOORE. Yes, sir; we really need more than that, because the delegates bring their wives with them. This is a diplomatic congress of officials of the governments.

Mr. DAWSON. I would like to inquire why the 60 delegates from South America will require \$15,000, whereas on the basis of the original estimate they would only have required \$6,000?

Mr. MOORE. At that time it was impossible to tell how many delegates the countries would send. We have appointed five in this country. It was a rough estimate, as near as we could estimate, three delegates to a country, but there will be more.

The CHAIRMAN. Is there any way you can limit the representation?

Mr. MOORE. No, sir; it has never been done. It was not done at Paris or Berlin or Madrid.

The CHAIRMAN. So we can send as many people from the United States as we like, who want to go on a trip to visit Europe and at-

tend one of these functions and take their wives at the expense of the Government who is our host?

Mr. MOORE. It is customary to send about five delegates from each country, but there is no limit fixed. The congresses were provided for in the treaty of Paris of 1883.

The CHAIRMAN. As a matter of fact, is it expected that the country extending the invitation shall pay the entire expenses of the foreign delegates?

Mr. MOORE. No, sir; they do not pay them at all, but at those conferences they have to entertain the delegates.

The CHAIRMAN. What do you mean by entertain the delegates—provide hotel accommodations?

Mr. MOORE. They do not pay the hotel bills, but they have to give dinners and take them on little excursions, perhaps over to Annapolis, down to Mount Vernon, and to Fort Myer. There is a continual round of festivities. We do not expect to entertain them in the way we have been entertained in various cities. I understand that it cost Buenos Aires \$100,000 to entertain the delegates there, and I have no doubt that in Paris and Berlin it cost as much. I can say, Mr. Chairman, that this is of the utmost importance, because the laws in regard to trade-marks and patents vary among the nations, and they are trying to get together and make them as uniform as possible.

The CHAIRMAN. I realize the importance of the conference, but I also think that it should not be a great while before you would have established uniformity that would protect the interests of manufacturers who are engaged in international commerce.

Mr. MOORE. We have tried to do that in the best way. They sent me over three times, and it was no junket, but hard work. We obtained a treaty with Germany which protects the patents of American inventors, and if a patent is not worked in four years it is forfeited. I obtained a treaty with Germany which gives us the same privileges that we accord the Germans in this country, and two or three countries in the same way. It has been of the utmost importance to the manufacturers.

The CHAIRMAN. Thus far what has been the result of these congresses in the way of securing uniformity of the laws of the different nations?

Mr. MOORE. They have resulted in a great deal of good.

STATEMENT OF MR. W. B. ACKER, ASSISTANT ATTORNEY, OFFICE OF THE SECRETARY.

BUREAU OF MINES, FURNITURE, ETC.

The CHAIRMAN. The first item is, "To reimburse the appropriation contingent expenses, Department of the Interior, 1911, on account of advanced expenditures made therefrom to the Bureau of Mines, established in the Department of the Interior May 16, 1910, \$4,500." What was the occasion for the advanced expenditures to the Bureau of Mines?

Mr. ACKER. The necessity for providing them with furniture, and other miscellaneous expenses for that bureau.

The CHAIRMAN. That was expressly appropriated for in the bill creating the Bureau of Mines and was carried in the sundry civil bill?

Mr. ACKER. No, sir. They expected to make provision for that from the \$54,000 appropriated in the sundry civil bill, but the Comptroller held that they would not be able to use any of the contingent fund until that money was all expended. The necessity of the case was such that something had to be done, and the only way to afford assistance was to make an advance from the contingent fund.

The CHAIRMAN. Was none of that expended?

Mr. ACKER. A portion of it was expended for rent and for records, stationery, etc. It was not sufficient to enable them to provide for their wants in the other direction and therefore they had to come to the department.

The CHAIRMAN. It was not because the appropriation could not be used for that purpose, but because it was not large enough?

Mr. ACKER. In that particular appropriation, there are two branches. The first read:

For the general expenses of the Bureau of Mines, including the pay of the director and the necessary assistants, clerks, and other employees in the office at Washington, D. C., and in the field, to be expended under the direction of the Secretary of the Interior, \$54,000.

The comptroller held that if it was necessary to provide for miscellaneous office expense it could be paid for out of that appropriation, but they could not use it for that purpose because they had allotted it for other purposes. The \$10,000 for the rent, furnishings, etc., was not sufficient to enable them to provide for what they wanted out of the contingent fund.

Mr. DAWSON. How much of the \$10,000 did they spend for books?

Mr. ACKER. I do not know, but I can supply that information.

The CHAIRMAN. Give us an itemized statement of the expenditure of the \$10,000.

Payments made from the appropriation act June 25, 1910 (36 Stat., 742), of \$10,000 for rent of offices in the city of Washington, etc., for furnishing the same with books, records, stationery, and appliances.

Books	\$29.58
Book	7.20
Glass, 2 panes .....	.45
Typewriter ribbons	13.92
Books	178.00
Rent	255.08
Typewriters	134.00
Books	4.75
Books	8.25
Books	5.00
Index cards, trays, etc.	4.53
Card, cabinet, guides, etc.	5.55
Picture hooks and wire	1.40
Rug	60.31
Card trays, cases, etc.	12.84
Rent	625.00
Loose-leaf binder and file punch	4.50
Banner file	3.00
Rent	625.00
Maps	4.75
Book	5.00
Book .....	.50
Book	9.25

Installing messenger-call system	\$29. 80
Books	14. 80
Books	9. 50
Perforated stamp	22. 45
Costumers and chair	31. 90
Maps	4. 75
Brass elbows and hinges	1. 18
Lumber .....	. 32
Drawer locks	1. 40
Screws .....	. 73
Cupboard locks, etc	1. 57
Paper fasteners and ink	14. 15
Soldering iron, files, etc	1. 13
Steel hasps and hinges .....	. 23
Try-square, door checks, etc	15. 00
Machine bolts, etc .....	. 32
Machine bolts	2. 05
Washers .....	. 11
Clothes hooks .....	. 13
Steel hinges .....	. 04
Piece of plate glass	1. 92
Pipe straps .....	. 18
Sandpaper .....	. 30
Hubbell attachment plugs	1. 62
Paper-fastening machine	1. 57
Screws	1. 22
Lumber	24. 83
Lumber .....	. 69
Nuts, condulets, etc	5. 99
Books	4. 00
Book	5. 00
Book	10. 00
Machinist's vise	6. 25
Lowering chandelier	4. 50
Making copies of scale for graphic charts	3. 00
Oscillating fans	54. 00
Cases as selected	20. 00
Stamp racks	2. 06
Desk covers	4. 20
Soap, matches, whisk brooms	4. 93
Derby desk	21. 00
Chair	10. 95
Stamp rack .....	. 64
Letter trays	5. 40
Soap, hatchet, tacks, lye	9. 45
Typewriter exchanged	47. 50
Rubber stamps	10. 42
Wrapping paper	30. 72
Blotting paper	4. 66
Carbon paper	14. 80
Typewriter paper	109. 01
Drawing paper	1. 06
Rubber bands	35. 58
Calendars .....	. 55
Tags	5. 67
Rubber ink erasers	1. 82
Pencil-point protectors and erases .....	. 58
Finger shields .....	. 30
Pens	40. 64
Steel erasers, knife	2. 65
Shears	13. 85
Thumb tacks	2. 25
Ink	24. 70
Pencil sharpeners	5. 52
Tracing cloth	6. 84
Tracing paper	5. 20
Magnifying glass .....	. 85

Cross-section paper	\$0. 20
Inkstands	4. 48
Sponge cups, glass	.42
Mucilage stands	.41
Pencils	55. 92
Penholders	7. 36
Typewriter oil	.40
Impression paper	8. 48
Paste in jars	10. 50
Penracks	.71
Rulers	4. 88
Paper weights	2. 82
Hand blotters	1. 30
Red tape	.84
Paper clips	6. 78
Paper fasteners	1. 28
Sealing wax	.22
Pins	2. 94
Sponges	3. 72
Hemp twine	5. 13
Table baskets, wire	1. 39
Paste brushes	2. 38
Typewriter ribbons	10. 05
Files	3. 80
Pen clips	5. 40
Ideal clips	2. 60
Paste	.54
Pads, for rubber stamps	1. 71
Desk pads	2. 55
Envelopes	305. 78
Guide cards	8. 05
Pencil erasers	4. 08
Pens	1. 79
Mucilage	3. 00
Perforator machine	1. 25
Sponge cups	1. 35
Fountain-pen clip	.05
Revised statutes and supplements	7. 75
Photographic and engraving work	12. 45

Total expended to Feb. 21 1911	3, 213. 05
Liabilities outstanding:	
Rent	\$3, 125. 00
Stationery, etc	1, 820. 25
	4, 945. 25
Total	8, 158. 30

The CHAIRMAN. The Bureau of Mines was formerly the technologic branch of the Geological Survey?

Mr. ACKER. Yes, sir.

The CHAIRMAN. Did not the Bureau of Mines as the technologic branch of the survey have any equipment itself—furniture and things of that kind?

Mr. ACKER. Oh, yes; but my impression is that a very large proportion of that was retained in the Geological Survey because they had men go right in and take possession of the rooms formerly occupied by the technologic branch.

The CHAIRMAN. But the law transferred all that to the Bureau of Mines?

Mr. ACKER. It did not amount to very much.

The CHAIRMAN. Will your contingent appropriation be short \$4,500 if this authority is not given?

Mr. ACKER. Yes, sir.

The CHAIRMAN. What was the unexpended balance at the end of the first half of the fiscal year?

Mr. ACKER. I have not that with me, but I can supply it.

Statement showing the amount expended for the Bureau of Mines from the \$4,500 of the appropriation for contingent expenses set aside for that purpose referred to in House Document No. 1344, Department of the Interior, from Aug. 16, 1910, to Feb. 20, 1911.

Date.	Articles.	Cost.
1910.		
Aug. 16	Filing furniture.....	(1)
25	Rubber stamp.....	\$0.21
26	Desk file.....	.75
31	Rubber stamps.....	2.36
Sept. 7	Desks and tables scraped.....	121.22
2	Street-car tickets.....	20.00
7	1 Monarch typewriter, exchange for Densmore.....	73.00
13	Rubber stamp.....	.11
13	1 stamp rack, 18 rubber stamps.....	1.57
13	Desks, chairs, tables, etc.....	872.28
14	Rubber stamp.....	.07
15	Typewriter covers.....	1.05
16	Rubber stamp.....	.09
22	Three-wheel stamp rack.....	1.03
26	Relettering and varnishing safe.....	3.00
28	Desks, chairs, typewriter desk.....	134.02
29	Stamps, typewriter spools.....	1.72
Oct. 1	1 Wilton rug.....	26.09
Sept. 16	Desks, bookcases, rugs, etc.....	593.63
Oct. 5	Rubber stamp.....	.03
4	Monarch typewriter.....	55.50
4	Underwood and Monarch typewriters.....	217.00
8	S. I. stamps, facsimile stamps.....	8.47
8	Rubber stamp.....	.03
11	Desk trays.....	18.00
18	Rubber stamps, sponge.....	2.51
25	Furniture polish, storm cover.....	8.60
25	Install telephone.....	F. C.
27	Rubber stamps.....	.09
29	Stamp rack.....	1.03
29	Typewriter cushion keys.....	2.95
29	Underwood typewriters.....	110.00
Nov. 3	One horse.....	350.00
3	Two United States flags.....	17.25
4	Card index transfer cases.....	.08
4	Rubber stamps.....	.08
5	Filing cases, chairs, mirrors, etc.....	460.55
5	One flag box.....	(1)
5	Filing cases.....	118.72
7	Soap.....	1.64
11	Tungsten lamps.....	156.98
8	Street-car tickets, repair chairs.....	20.00
12	Pipe traps, solder, flanges, etc.....	61.57
18	Chairs, mail bags, nails, etc.....	22.02
18	Dustpans, brushes.....	2.88
17	Tees, ells, pipes, valves, etc.....	73.65
18	One safe moved.....	5.00
18	Antiseptic mouthpieces.....	.50
21	White-pine molding, backing, etc.....	87.25
23	Brushes for cleaning floors.....	9.72
1	Rubber stamps.....	.06
1	Table and chairs.....	9.00
25	Winding and repairing clocks.....	F. C.
26	Desk covers.....	19.58
28	Keyboard.....	38.00
21	Hair brushes and combs.....	6.60
26	Cotton, maps, soap, etc.....	8.85
29	Funnel.....	.60
28	Chamois skins, rug, stamps, etc.....	60.39
30	Overhaul and repair safe.....	5.00
30	Rubber stamps.....	.24
21	Tailgate on wagon No. 2.....	5.00
Dec. 1	1 gallon raw linseed oil.....	.79
1	Typewriter brushes, etc.....	2.95
6	Scales.....	2.30
6	Stepladder.....	1.92
8	Soap.....	10.32
8	Desks, mats, wardrobe.....	45.90
6	Duster, cloth, and reading glass.....	10.83
9	Oil can, cloth, oil, and gasoline.....	.65
9	Excelsior and lamp globes.....	5.47
9	Glue and combs.....	.90

¹ No charge.

Statement showing the amount expended for the Bureau of Mines from the \$4,500 of the appropriation for contingent expenses, etc.—Continued.

Date.	Articles.	Cost.
1910.		
Dec. 10	Connect clock with observatory.....	\$10.00
13	Plug and cord for desk light.....	(1)
15	Brushes and mop handles.....	2.19
14	Chair, secondhand.....	(2)
15	Glue.....	.53
16	Dynamo oil.....	.70
16	Transfer cases.....	2.34
17	Rubber stamps.....	.08
17	Frame and mat for picture.....	6.50
19	Coco mats.....	7.38
21	Cheesecloth.....	2.03
21	S. T. stamp.....	2.47
22	Rubber stamps.....	.19
22	Disinfectant.....	18.50
28	Cushion stamps.....	.88
27	Female valves.....	(2)
30	Pasteboard tubes.....	(2)
30	Card index racks.....	(2)
31	Rubber stamps.....	*, 28
31	do.....	.38
12	Underwood typewriter.....	75.00
12	Monarch typewriter.....	86.00
1911.		
Jan. 3	1 5-gallon bottle.....	.90
3	Tungsten lamps.....	(2)
4	Rugs.....	3.00
6	Mirror.....	1.80
7	Nails.....	
7	4 mail boxes.....	(2)
9	Whisk brooms.....	1.68
9	Extension cord.....	(2)
9	Rubber stamps.....	.21
10	Lubricating grease.....	.50
11	Raw linseed oil.....	.79
11	Benzine.....	.17
11	Tungsten lamps.....	1.71
12	Nails and screws.....	
10	Cane seat in chair.....	.72
13	Cotton waste.....	1.03
13	Cherry stain.....	(2)
16	Dynamo oil.....	2.50
16	Painting doors.....	(2)
16	Glue.....	.76
18	Mop handles and fixtures.....	.88
20	Bon Ami soap.....	1.64
24	Felt typewriter pad.....	.40
26	Shellac.....	(2)
28	8 pictures framed.....	
27	Electrical supplies.....	10.39
28	Zinc.....	3.42
30	Paint and brushes.....	.39
28	Desk cover.....	.89
Feb. 1	Stain for pine board.....	
3	Coal oil.....	
4	Hatchets and tongs.....	1.62
6	Dust brushes and storm flag.....	8.71
6	Self-inking and rubber stamps.....	2.63
7	1 Underwood typewriter No. 5.....	50.00
8	2 rubber stamps.....	.06
8	Taps, wrench, vise, etc.....	10.00
9	One 4-light cluster, guard, canopy, etc.....	2.32
10	1 glass shell for washbasin.....	4.80
13	1 bolt cheesecloth.....	2.25
14	Change extension phone to indpt. branch.....	F. C.
15	Screw eyes, wire, desk.....	(1)
14	Towels and soap dishes.....	9.84
15	2 desks, 3 typewriter chairs.....	69.92
15	20 screw eyes, 1 roll wire.....	(2)
15	1 gallon linseed oil.....	.79
16	2 Monarch typewriters, 1 L. C. Smith.....	175.00
16	4 bookcase sections, top and base, etc.....	100.00
18	15 rubber stamps, 1 drip pan.....	.45
21	6 telephone calls.....	16.50
18	Paint, piping, etc., fit piping.....	20.00
20	5 gallons dynamo oil.....	1.75
	Total.....	4,628.04

Canceled.

* No charge.

PENSION OFFICE—REPAIRS OF ROOMS.

The CHAIRMAN. The next item is, "Repair of rooms, Pension Office Building, \$4,175." This is necessary, is it, on account of the Pension Office being damaged by fire?

Mr. ACKER. Yes, sir; that grows out of the fire.

The CHAIRMAN. The fire that occurred last month?

Mr. ACKER. Yes, sir.

The CHAIRMAN. Have you had the damage to the building estimated?

Mr. ACKER. Yes, sir. The details are in this pamphlet. Painting and glazing, \$1,200; plastering, \$1,000; flooring, \$825; electrical supplies, \$500; sash and doors, \$250; and brickwork, \$400, making a total of \$4,175.

REPAIRS OF BUILDINGS.

The CHAIRMAN. The next item is, "Repairs of buildings, Department of the Interior: That the unexpended balance of \$3,500 provided in the sundry civil act of June 25, 1910, for repairs of buildings, Pension Office, be made available for labor and material in connection with repairs to buildings, Department of the Interior, 1911." What is the necessity for that?

Mr. ACKER. In the item prior to that appropriating \$20,000 there was a limitation imposed as to the amount of money that could be expended for labor. We submitted the question to the comptroller as to whether or not the same restriction would apply to the \$3,500 and he held that it did. The department found that it would be more economical not to contract for that work, and only a portion of those repairs has been made. As stated in this pamphlet "it was the intention of the department to use in such work, if the decision had been favorable, five painters who are now employed on the per diem roll of the repair buildings fund," but they were not used because, under the decision, we could not use them. On page 3 of this pamphlet it says:

Actual administration has demonstrated that the limitation of \$7,500 in the sundry civil act appropriation of \$20,000 is disproportionate, as of the \$7,500 limitation there is now left only \$1,597.50, while of the \$12,500 for material there is \$6,546.14.

I have, therefore, to request that if Congress shall not in its judgment see fit to appropriate the sum of \$4,175 asked above, as the result of the fire and to include the sum of \$2,069.50 in the repairs of buildings roll, that the limitation in the appropriation of \$20,000 for repairs of buildings be so amended so as to make the maximum for labor \$11,000.

In other words, to increase the amount allowable for labor and decrease proportionately the amount for material.

The CHAIRMAN. I remember that controversy, we went over it very fully, and on the basis of permanent employment, as I understand, \$7,500 was all you anticipated expending at that time. You want to take the unexpended balance of \$3,500 which remains in the appropriation for repairs of buildings, Pension Office, and make that available for the employment of labor under your appropriation for repairs to buildings for the fiscal year 1911?

Mr. ACKER. Yes, sir; labor and material.

The CHAIRMAN. Labor will not be employed in doing any of the work in connection with the Pension Office Building?

Mr. ACKER. Yes, sir.

The CHAIRMAN. Is not that work complete now?

Mr. ACKER. No, sir.

The CHAIRMAN. Why do you not use the \$3,000, the unexpended balance?

Mr. ACKER. We would have to contract for that.

The CHAIRMAN. What was the total appropriation?

Mr. ACKER. \$3,500.

The CHAIRMAN. For the work in connection with the Pension Office Building?

Mr. ACKER. Yes, sir; \$3,500 for special repairs to the Pension Office Building.

The CHAIRMAN. Was that to fix up the break in the cornice in the interior of the court?

Mr. ACKER. Yes, sir.

The CHAIRMAN. Is not that finished yet?

Mr. ACKER. There has been expended \$1,430.50 for cornice scuttle holes, removing statuettes, repairing roof, and for paint and various items in connection with the special work. That left a balance at the time this estimate was submitted of \$2,069.50.

The CHAIRMAN. If there is objection to your expending that balance in completing the repairs, why does not that condition apply to the expenditure you have already made in labor as far as you have gone?

Mr. ACKER. The other work was done under contract.

The CHAIRMAN. You contracted for part of the repairs and propose to do the rest by hiring labor?

Mr. ACKER. Yes, sir. We got some bids and we found that the bids were excessive, nearly 17 or 18 per cent over what the department could do it for by buying its own materials and using its own labor, painters, etc.

PAYMENT TO WILL M. TIPTON.

The CHAIRMAN. The next item is: "To pay Will M. Tipton, inspector, Department of the Interior, balance found due in the settlement of his account for traveling expenses for the six months ending June 30, 1910, \$169.89." It seems that this is necessary because he neglected for six months prior to June 30, 1910, to file his account?

Mr. ACKER. Yes, sir; that is true, Mr. Chairman.

The CHAIRMAN. What was the reason that he did not present it?

Mr. ACKER. This note says:

Inspector Will M. Tipton neglected to submit his accounts for a period of six months immediately prior to and ending June 30, 1910, and after expiration of the fiscal year. When given administrative action in the department, it was ascertained that by reason of the unusual amount of travel on the part of the six inspectors whose expenses are payable out of the appropriation for traveling expenses of inspectors of the Department of the Interior, the appropriation lacked \$169.89 of satisfying the accounts of Inspector Tipton. This was unavoidable because of the practice then pursued by the department in settling for transportation expenses, vouchers for such items being referred direct to the Auditor for the Interior Department for adjudication and settle-

ment. Until the auditor had settled such transportation accounts the department was not in position to determine with any degree of accuracy the amount to be charged against its appropriation for such expenses, and consequently was unable to strike a clear balance. While Inspector Tipton's accounts were pending in the department, the auditor notified the department of settlement by him for transportation expenses which created an apparent deficit in the appropriation, and the appropriation not being sufficient to pay Inspector Tipton in full, the sum named in the estimate herewith was suspended, representing a deficiency. The practice of handling such transportation accounts has since been changed, so that the department is now at all times in a position to know the true condition of the appropriation, and is able to strike a clear balance and to anticipate the amount available and limit the activity and expense of its inspectors in accordance therewith. This appropriation is apportioned in accordance with the act of February 27, 1906.

Mr. KEIFER. He seems to have presented it?

Mr. ACKER. Yes, sir.

CAPITOL BUILDING.

SKYLIGHTS FOR LIBRARY PORTION OF BUILDING.

OFFICE OF SUPERINTENDENT
UNITED STATES CAPITOL BUILDING AND GROUNDS,
Washington, D. C., February 9, 1911.

HON. JAMES A. TAWNEY,

Chairman Committee on Appropriations, House of Representatives.

SIR: During the past season I caused to be constructed five skylights over the old library section of the Capitol, two of which were to exchange old for new and the other three new skylights to take the place of temporary wooden covering which at that time covered the roof.

As the disposition of space in this section of the Capitol had not been made, this work had been held up awaiting that disposition and with the idea prevalent in this office that the old continuing appropriation for the reconstruction of the library space was still on the books of the Treasury Department and available for this work. I have lately ascertained that all such matters have been carried back into the general fund by an act of Congress approved March 4, 1909. Under these circumstances, I respectfully ask that a deficiency appropriation be made to cover the cost of this work, which amounts to the sum of \$4,000.

Very respectfully,

ELLIOTT WOODS,
Superintendent U. S. Capitol Building and Grounds.

ANNUAL REPAIRS CAPITOL BUILDING—COURT OF CLAIMS BUILDING.

OFFICE OF SUPERINTENDENT
UNITED STATES CAPITOL BUILDING AND GROUNDS,
Washington, D. C., February 21, 1911.

HON. JAMES A. TAWNEY,

Chairman Committee on Appropriations, House of Representatives.

SIR: I respectfully ask for a deficiency appropriation on "Capitol building and repairs" in the sum of \$1,200 for extraordinary expenses incurred during the recess of Congress in the care and janitorship in the House wing of the Capitol. It is now required to prepare certain shelving immediately in the basement story of the building.

I respectfully call your attention to the fact that no estimate has been submitted by the Court of Claims for incidental expenses incurred in painting several rooms and some roof work required to be done immediately. I respectfully submit an estimate therefor in the sum of \$500 to be made immediately available and to continue for the fiscal year 1912.

Very respectfully,

ELLIOTT WOODS,
Superintendent U. S. Capitol Building and Grounds.

IMPROVING GROUNDS.

OFFICE OF SUPERINTENDENT
UNITED STATES CAPITOL BUILDING AND GROUNDS,
Washington, D. C., February 21, 1911.

HON. JAMES A. TAWNEY,

Chairman Committee on Appropriations, House of Representatives.

SIR: I respectfully ask for a deficiency appropriation on "Improving the Capitol grounds" in the sum of \$2,100 on account of extraordinary expenses attending snowfalls and the cleaning of the walks and roadways in the Capitol grounds during the present season, amounting to approximately \$1,700, and due also to the necessity for fertilizing immediately certain portions of the Capitol grounds at an approximate cost of \$400, the total sum required being \$2,100.

Very respectfully,

ELLIOTT WOODS,
Superintendent U. S. Capitol Building and Grounds.

COLUMBIA INSTITUTION FOR THE DEAF AND DUMB.

COLUMBIA INSTITUTION FOR THE DEAF AND DUMB,
Washington, D. C., February 15, 1911.

HON. JAMES A. TAWNEY,

*Chairman of the Committee on Appropriations,
House of Representatives, Washington, D. C.*

SIR: On June 25, 1910, the deficiency act appropriated \$25,000 to provide for the rebuilding of the west dormitory of the Columbia Institution for the Deaf and Dumb, partially destroyed by fire February 6, 1910.

The most necessary part of the rebuilding was completed during the past summer, so that the dormitory was opened for use at the beginning of the school year. Less important repairs are now going on. The total cost to finish the rebuilding will be approximately \$21,000.

During the fire and the operations of rebuilding very serious damage was done to the furniture and equipment of the building and also to the walks and drives adjacent thereto. It has been necessary, during the current year, to repair these walks and drives and to provide considerable furniture and equipment for the proper operation of the institution. This expense will bear very heavily upon the appropriation for support for the current year, which is only sufficient for the maintenance of the institution under ordinary circumstances.

I believe the repairs, furnishings, and equipment made necessary by the fire should be considered extraordinary expense, and I respectfully request that they may be charged to the \$25,000 provided in the rebuilding appropriation under the following legislation to be inserted in the deficiency bill about to be considered by Congress:

"Be it enacted, etc., That expenditures incurred during the current fiscal year for the furnishing and equipment of the west dormitory of the Columbia Institution for the Deaf and Dumb, partially destroyed by fire February 6, 1910, and for resurfacing asphalt walks and drives adjacent thereto may be charged to the appropriation available for the current year for the rebuilding of the said west dormitory."

Very respectfully, yours,

PERCIVAL HALL, *President.*

STATEMENT OF MR. FRANK BOND, CHIEF CLERK, GENERAL LAND OFFICE.

PUBLIC LANDS OFFICE.

The CHAIRMAN. In the first item, on page 73 of the bill, is authority to expend out of the sum appropriated by the act approved June 25, 1910, for the survey of public lands in Idaho, an additional sum of \$7,000 for the necessary office work connected therewith in the surveyor general's office.

Mr. LIVINGSTON. I would like to ask how that can be a deficiency.

Mr. BOND. The appropriation last year for that and the other two items following, \$100,000 in the case of Montana and Idaho, and \$50,000 in the case of Utah, we asked for 10 per cent of the annual appropriation this year for office work on survey returns. Congress last year gave us \$3,000 instead of \$10,000, and we now need the balance. These are coming into the office rapidly.

The CHAIRMAN. This was put in the appropriation for the survey as a limitation upon the amount to be expended for office work. This did not increase the appropriation.

Mr. BOND. Not at all, sir.

The CHAIRMAN. Simply to enable you to work up the data that you obtained in the field surveys under the general appropriation?

Mr. BOND. Yes, sir.

The CHAIRMAN. Under the legislative bill that passed at this session, your appropriation for clerk hire is increased from \$10,200 to \$15,000 for the next fiscal year.

Mr. BOND. Yes, sir.

The CHAIRMAN. Well, is it proposed to continue the clerks also that are paid out of this appropriation during the next fiscal year?

Mr. BOND. Until such time as these special appropriations—that is, until these field notes are worked up, and then no longer.

The CHAIRMAN. The increase, then, in the clerical force in the Idaho office, carried in the legislative bill, is the increase necessary on account of the regular work of the survey in that State?

Mr. BOND. Yes, sir; for the regular work.

The CHAIRMAN. So this is entirely independent of the regular work?

Mr. BOND. Yes, sir.

The CHAIRMAN. Your increase in this office under the legislative bill was \$4,800 for the next year?

Mr. BOND. Yes, sir.

The CHAIRMAN. The increase allowed was \$4,800?

Mr. BOND. Yes, sir.

The CHAIRMAN. Will not that increased force take care of the work incident to the increased field work under these appropriations?

Mr. BOND. No, sir; it will not. You see we are having come into the office now, all three offices, we are having not only the field notes under the contracts that were let last year, \$425,000, but also the field notes of the \$450,000 that was appropriated under the new system. So we are having, under these two annual appropriations, which, if the work was continued under the contract system, in different years, all being piled on us now, and the amount in the legislative bill is to care for the extra amount of work under the two appropriations, but that would make no provision whatever for these special appropriations in these three States.

Mr. LIVINGSTON. Do you mean to say that this appropriation you ask for here and the appropriation given in the legislative bill is not for the same purpose?

Mr. BOND. No, sir; what we are asking for here is for office work under these three special funds, \$100,000 only.

The CHAIRMAN. Did you not, in asking for this increase, base your request upon the increased work under these increased appropriations?

Mr. BOND. No, sir; we did not.

Mr. LIVINGSTON. Tell us what that office work is that this amount of money is to be expended for.

Mr. BOND. Plotting, transcribing and examining field notes of surveys that are returned under these appropriations.

The CHAIRMAN. What is the limitation in this appropriation as it was fixed at the last session with respect to employment of clerical service in the Idaho office?

Mr. BOND. Three thousand dollars. We have gotten that practically used up.

The CHAIRMAN. If this \$7,000 is made available, then that would give you for this fiscal year \$20,250 for that office for the fiscal year?

Mr. BOND. Yes, sir; we have three appropriations that we are compelled to do the office work under now, as you know.

The CHAIRMAN. When will this survey be completed?

Mr. BOND. In Alaska?

The CHAIRMAN. No, in Idaho.

Mr. BOND. That is pretty hard to state, Mr. Tawney. We have had a great many parties in the field last year and will put new parties in the field just as soon as the surveying season opens this spring, and we expect to continue all summer.

Mr. KEIFER. How many months can you survey?

Mr. BOND. Five or six months; it depends on the season; the season is shorter in the northern end of Idaho.

SURVEY OF PUBLIC LANDS IN MONTANA.

The CHAIRMAN. The next item is authority to expend out of the sum appropriated by the act of June 25, 1910, for the survey of public lands in Valley, Dawson, Custer, and Fergus Counties, Mont., an additional sum of \$7,000 for clerk hire. The same conditions exist there?

Mr. BOND. Just exactly the same; yes, sir.

The CHAIRMAN. When these surveys are made and the field notes or office work is concluded, what will become of this force?

Mr. BOND. They would be dispensed with, unless there should be some special appropriations made hereafter.

Mr. LIVINGSTON. Do you take them from the Civil Service Commission?

Mr. BOND. Yes, sir.

Mr. LIVINGSTON. Then, how can you dispense with them?

Mr. BOND. They can be dispensed with if the money has been used; they can be dispensed with, so far as we are concerned; possibly they may be transferred to some other department.

Mr. LIVINGSTON. That is what I thought; you just add those to the permanent civil-service force.

Mr. BOND. They would be subject to certification by the Civil Service Commission in case call was made for that class of employees.

The CHAIRMAN. The next is the same subject, relating to Utah? Where you wish to increase the limit for clerical service to \$3,000.

Mr. BOND. It is just the same as the other two cases, except smaller amounts. The total appropriation was \$50,000 for Utah.

EXAMINATION AND CLASSIFICATION OF LANDS.

The CHAIRMAN. The next item is to enable the Commissioner of the General Land Office to complete the examination and classification of lands within the limits of the Northern Pacific grants under act of July 2, 1864.

Mr. KEIFER. Has that been surveyed?

Mr. LIVINGSTON. I suppose so from this.

The CHAIRMAN. What is the effect of that? That is the same old provision put in the sundry civil bill last year.

Mr. BOND. Yes, sir; the Geological Survey, which has charge of the classification of these mineral lands, reported about the close of the calendar year that they had completed about 78 per cent of the classification in Montana. They did not specify exactly what sum would be needed, but we figured on the cost of the first work and estimated that the 22 per cent would be about \$10,000 to complete that work.

The CHAIRMAN. You want an appropriation of \$10,000 to complete that classification?

Mr. BOND. Yes, sir.

The CHAIRMAN. Why was it not asked for on the sundry civil bill?

Mr. BOND. I can not answer that, Mr. Tawney. I think, perhaps, the report from the Geological Survey was not received soon enough for it.

The CHAIRMAN. If it was received soon enough to be brought in here as a supplemental document it was received soon enough for the sundry civil bill. My recollection is I asked the commissioner when he was here if that work could be completed within the appropriation and that he stated it would be. I may be mistaken, however, about that. How many acres of land are involved in that classification.

Mr. BOND. I can not say; of course, it is mountainous and mineral lands, scattered throughout the State. I have no idea, not even the remotest, how much there is of it.

CREDIT TO WILLIAM H. HOUSTON.

The CHAIRMAN. The next item is "The accounting officers of the Treasury Department are hereby authorized and directed to allow credit in the accounts of William H. Houston, special disbursing agent, United States land office, at Missoula, Mont., the sum of \$15.83, being the amount disallowed in the settlement of his accounts under the appropriation for 'contingent expenses of land offices, 1909,' for payments made for janitor service from July 1, 1908, to August 28, 1908."

Do you know anything about that?

Mr. BOND. Only what our estimate states, that this officer was authorized to increase the salary of his janitor, but, I suppose, assuming that the authorization would be granted, he began paying him before the authorization arrived, and the law does not allow them to pay out any money without specific authorization for it, and this is to reimburse him for the \$15.83 paid out that way.

Mr. LIVINGSTON. You jumped him from \$60 to \$100.

FIDELITY & GUARANTEE CO., BALTIMORE.

The CHAIRMAN. The next item is to authorize the Secretary to pay to the Fidelity & Guarantee Co. of Baltimore, Md., sureties for Benjamin R. Richardson and James F. Trotter, deputy surveyors, the sum of \$462.79. Why should we pay that?

Mr. BOND. Why, that was a case where the deputy surveyor defaulted in the completion of his contract, and the work had to be completed by his bondsman. We called upon them to furnish a surveyor to do the work. Under the conditions of the contract, I believe, the surveyor who did the work for the bondsman can not be paid out of the moneys, and some provision must be made to pay him, the appropriation having lapsed.

Mr. KEIFER. The appropriation has lapsed, you say?

Mr. BOND. Yes, sir.

The CHAIRMAN. Is that the Baltimore bonding company that failed recently?

Mr. BOND. I do not know about that. I do not think this company has failed.

Mr. LIVINGSTON. Do you mean to come here and ask us to assume the responsibility of the bonding company? They were paid to do that. Why do you want to reimburse them?

Mr. BOND. There was a certain amount of money coming to the surveyor under his contract.

Mr. LIVINGSTON. How much?

Mr. BOND. Apparently, \$462.79, but that would have been due him if he had completed the contract.

Mr. LIVINGSTON. And the surety company stepped in and completed the work?

Mr. BOND. Yes, sir; at the direction of our office.

The CHAIRMAN. Has the account been audited?

Mr. BOND. Yes, sir; I think it has, Mr. Tawney.

Mr. KEIFER. The bonding company carried out the contract?

Mr. BOND. Yes, sir; this occurs pretty nearly every year. In cases of this kind, where the deputy surveyor fails to carry out his contract, we call on the bondsman to complete the work.

REIMBURSEMENT OF RECEIVERS OF PUBLIC MONEYS.

The CHAIRMAN. The next item is to reimburse receivers of public moneys at United States land offices for moneys erroneously deposited by them to the credit of the United States in excess of public moneys received by and due from them as shown on settlement of their final accounts by the Auditor for the Interior Department, \$74.40.

DEPUTY SURVEYOR OF PUBLIC LANDS.

The CHAIRMAN. The next is for payment to certain United States deputy surveyors for surveys of public lands, executed by them and necessary to complete the lines of surveys embraced in their contracts and special instructions issued thereunder, \$586.81.

Have you any explanation to make as to the necessity for that?

Mr. BOND. In making contracts under the old system, of course we had to make an estimate of the liability under it, dependent on the

character of the country, the mileage, and all that. Very often these estimates were too low, and not large enough to reimburse the surveyor for the miles of land that he was compelled to survey under his contract. This was a case of that kind.

The CHAIRMAN. The next item is to authorize the officers of the Treasury to credit the account of Charles F. Read, special disbursing agent, General Land Office, with the sum of \$357.54, being the amount suspended by said accounting officers on account of payment in excess of 10 cents a folio, made by the disbursing officer to United States commissioners for taking depositions in land hearings. What was the reason that he allowed more per folio for this work than the law allows?

Mr. BOND. The commissioner has a long letter here to the Secretary explaining the whole matter in full; personally I am not familiar with it.

The CHAIRMAN. All right, we can go over that.

Mr. DAWSON. You don't know what the effect of the last sentence of that paragraph would be? I will read it:

The said accounting officers are also authorized and directed to credit in the settlement of the accounts of the special disbursing agents under the General Land Office all such payments heretofore made, or to be made by them, provided that such payments do not exceed the highest rate allowed by the United States statutes.

Have you any information as to what would be the effect of that?

Mr. BOND. No, sir.

STATEMENT OF MR. J. GEORGE WRIGHT, COMMISSIONER TO THE FIVE CIVILIZED TRIBES.

THE FIVE CIVILIZED TRIBES.

The CHAIRMAN. Mr. Wright, do you represent this item for the expense of the administration of the affairs of the Five Civilized Tribes, Oklahoma, in the completion of the work heretofore required by law to be done by the commissioner to the Five Civilized Tribes, including salaries, etc., \$30,000?

Mr. WRIGHT. Mr. Chairman, that was for the purpose of estimating a body of about 1,300,000 acres of timber lands in the Choctaw Nation that has been held up for several years as a prospective forest reserve. It belongs to the Indians of the tribe, and the administration determined last fall that it would not ask Congress to create a forest reserve of it, but to dispose of it. In order to dispose of it it is necessary to estimate that timber, and this appropriation is asked for to enable us to incur the necessary expense of estimating the timber and to reimburse it out of the proceeds of the sale when made.

Mr. KEIFER. It is reimbursed then, is it? You have had \$30,000 for this purpose, have you not?

Mr. WRIGHT. No, sir; we are asking for it now.

The CHAIRMAN. How much land is involved in this, how many acres?

Mr. WRIGHT. About 1,300,000 acres.

The CHAIRMAN. How much timber?

Mr. WRIGHT. It is all timber.

The CHAIRMAN. All timber?

Mr. WRIGHT. Yes, sir; hard wood and pine; there is a great deal of hard wood there. The Dawes Commission of 1901 estimated the pine on this land, for the purpose of allotment, but they did not estimate the hard wood. The pine at that time aggregated about 550,000,000 feet. But since that time there has been depredations, fires, etc., so that estimate can not be adopted as accurate at this time for the purpose of putting it on the market, and besides they never estimated this hard wood. At that time the merchantable pine timber was appraised and added to the value of the land, for allotment purposes, and each Indian got so many dollars' worth of land,

Mr. KEIFER. What do you call hard wood in that country?

Mr. WRIGHT. Mostly white oak.

ARMY AND NAVY PENSIONS.

STATEMENT OF DR. A. H. THOMPSON, CHIEF, FINANCE DIVISION, PENSION OFFICE.

The CHAIRMAN. You have a deficiency estimate for Army and Navy pensions amounting to \$2,500,000?

Dr. THOMPSON. Yes, sir.

The CHAIRMAN. The appropriation for 1911 was \$155,000,000, and this would make the aggregate \$157,500,000?

Dr. THOMPSON. Yes, sir.

The CHAIRMAN. What is the occasion for this deficiency?

Dr. THOMPSON. At the time we made the estimate of \$155,000,000, about a year and a half before the appropriation became available, we could not foresee all the expenditures that were likely to occur. There was a large number of special acts passed at the last session of Congress, about 6,000, and that increased the annual pension rolls about \$800,000. That accounts to some extent for the deficiency. Then, again, our appropriation for 1910 lacked \$300,000 or \$400,000 of being sufficient to carry us through the fiscal year, and along toward the close of the fiscal year we stopped payment on new issues. We lacked about \$300,000 or \$400,000 of having sufficient money, and when we paid that it came out of this year's appropriation.

Mr. KEIFER. You just carried it over?

Dr. THOMPSON. Yes, sir; we had enough to pay up to the last 10 days of the last year.

Mr. KEIFER. You had a payment on June 4?

Dr. THOMPSON. Yes, sir; we got through the general payment, but we stopped the payment on new issues.

Mr. KEIFER. Quarters begin in one fiscal year and end in another. You pay up to the 4th of June and the next quarter is in the next fiscal year?

Dr. THOMPSON. Yes, sir.

The CHAIRMAN. I observe that they get old faster than you anticipated?

Dr. THOMPSON. Yes, sir; more allowances on account of increased age than we anticipated.

DEPARTMENT OF JUSTICE.

STATEMENTS OF MR. ORRIN J. FIELD, CHIEF CLERK; MR. S. W. FINCH, CHIEF, BUREAU OF INVESTIGATION; MR. J. J. GLOVER, CHIEF, DIVISION OF ACCOUNTS; MR. E. M. KENNARD, CHIEF BOOKKEEPER, AND MR. R. V. LA DOW, SUPERINTENDENT OF PRISONS.

MISCELLANEOUS EXPENDITURES.

Mr. KEIFER. Two thousand dollars for the Department of Justice; what have you to say about that?

Mr. FIELD. That is the appropriation out of which the department pays for all of its miscellaneous expenses—fuel, telegraphing, electric current; the additional amount of \$2,000 is asked for on account of the increased expense for telegraphing and electric current during the past year. At the beginning of the year I allotted that appropriation on the basis of what the expense had been during the previous year; but we find that the expense for telegraphing and for electric current have run about \$2,000 more than for last year, and that is the reason for this request for an additional \$2,000.

Mr. KEIFER. Your appropriation for last year was \$21,000, and this year it is \$25,000, and your estimate is \$30,000.

Mr. FIELD. Yes, sir.

Mr. KEIFER. And you think you will need \$2,000 additional?

Mr. FIELD. We need \$2,000 in addition to the \$25,000. I should say that last year there was another lump appropriation of \$4,100, which was used in connection with this, so that the \$21,000 was really \$26,000 last year.

Mr. KEIFER. Was there a deficiency appropriation last year?

Mr. FIELD. No, sir; not in addition to this \$4,100 appropriation. This appropriation was for the care of the new building; as a matter of fact it was merged with this \$21,000.

Mr. KEIFER. You worked this out as necessary before the fiscal year ends on the basis of what you are spending now?

Mr. FIELD. It is based on the increased expense of telegraphing and for electric current so far this year.

Mr. DAWSON. That is in the District of Columbia?

Mr. FIELD. Yes, sir; in the department buildings here, where we rent current from the Potomac Electric Power Co.

Mr. LIVINGSTON. What is the unexpended balance?

Mr. FIELD. \$9,700 to date.

Mr. DAWSON. That would last you to July 1?

Mr. FIELD. No.

Mr. DAWSON. Are you using additional lights, or are you working at night?

Mr. FIELD. It is mostly due to working at night and the increase in office hours.

Mr. DAWSON. Has there been any increase in the rates?

Mr. FIELD. No, sir; the rate is what it has always been.

Mr. DAWSON. Simply using more light?

Mr. FIELD. Yes, sir.

FURNITURE AND REPAIRS.

Mr. KEIFER. The next item is for furniture and repairs, file holders, etc., \$1,500.

Mr. FIELD. That original sum of \$1,500 was requested on account of a large expenditure made during the past year in installing a new filing system, which the Attorney General directed, a flat filing system, to take the place of the old filing system. It necessitated a large expenditure to start with for the new style file cases, and this additional amount was requested on account of that. The balance in that appropriation to-day is only \$700. The expense runs at the rate of \$400 a month, so you see \$700 will only carry us about two months more.

Mr. LIVINGSTON. Did the Attorney General have any authority for directing a change in the filing system?

Mr. FIELD. I should think it was one of the prerogatives of his office to install a new system of files, and if that carries an increased expense, we must come here and ask you for it.

Mr. KEIFER. This new filing system was adopted all around, was it not?

Mr. FIELD. Yes, sir; there have been quite general changes in filing systems.

Mr. KEIFER. And this is to build it up?

Mr. FIELD. Yes, sir; and in addition to what I have already stated heretofore, it has been the practice of the Treasury Department and the Department of Commerce and Labor to supply furniture for the offices of the solicitors of these two departments, but quite recently, due, perhaps, to a desire to economize in their own departments, they have refused to do that. So this expense falls on us, which is another reason for increasing our expense under this appropriation.

RENT.

Before we pass on to that item, there is another item I would like to speak of, which is not in the estimate, and not in the bill now, but a letter concerning it is on the way from the Treasury. That is the item of \$5,500 for additional rent for the department. There has just been established a United States Commerce Court, and they have about decided to rent quarters in a certain office building in the city. We desire to rent with them quarters for the attorneys of the department who will have charge of the department's business before that court. I did not know that until this morning. The quarters which the department will wish to rent in connection with the court will be about \$5,500 per year, and the Attorney General wishes to have included in this bill, if you will, an item of \$5,500 for the rent of these quarters. The letter will reach you within a day or two from the Treasury Department. I will try to get it up here this afternoon.

Mr. KEIFER. Do you propose to rent in connection with the Commerce Court in the same building?

Mr. FIELD. Yes, sir; in the same building.

Mr. KEIFER. Don't they rent a whole building, or use only a part?

Mr. FIELD. No, sir; it is their present plan to rent about three-quarters of a floor in the new office building which is going up across

from the Shoreham Hotel, and we desire to rent the balance of that floor for the department.

Mr. KEIFER. It seems to me that ought to be one renting for the court and for the court officers, clerks, etc.

Mr. LIVINGSTON. But they are different institutions.

Mr. FIELD. Of course, the court has its own appropriation for its rent, and they only require a certain amount of space, unless they would rent more space and give us the use of it.

Mr. KEIFER. The rent might be cut down by taking the whole of it.

Mr. FIELD. The figures they got are based on the department taking the rest of that floor, so they would rent to the department one entire floor in that building.

Mr. DAWSON. Has one of these new courts rented the Occidental Building, on Pennsylvania Avenue?

Mr. FIELD. They have only taken that temporarily until this building is completed.

Mr. DAWSON. That is for this Court of Commerce?

Mr. FIELD. Yes, sir; but they have only taken it temporarily, notwithstanding the account in the newspaper, which was a mistake.

INCIDENTAL EXPENSES, TERRITORY OF ALASKA.

Mr. KEIFER. Now, passing to incidental expenses under the Department of Justice, on the same page, 85, at the bottom.

Mr. GLOVER. This item of \$15.62—that is an item which can not be paid now, because the appropriation for 1908 has lapsed, and it is in the nature of a claim.

Mr. KEIFER. It is a deficiency, though?

Mr. GLOVER. Yes, sir.

Mr. KEIFER. Why can it not be paid now?

Mr. GLOVER. There is no appropriation available for it.

Mr. LIVINGSTON. Has it been audited?

Mr. GLOVER. It has been examined and found due, but it has not yet been sent to the auditor; it can not go through until the money is appropriated.

Mr. LIVINGSTON. Why do you ask us to pay it before it has been audited? Suppose the auditor turns it down?

Mr. KENNARD. The auditor does not feel that he is authorized to state claims of this nature unless there is a balance to the credit of the appropriation.

Mr. LIVINGSTON. Then, if there is an appropriation he orders it favorably, but if there is no appropriation he negatives it?

Mr. KENNARD. No, sir; he won't receive it unless there is an appropriation. He simply returns it to the administrative department. We have examined it and found it to be correct, and it is only a matter of form to send it to the auditor if you make the appropriation. If the expense was authorized by law outside of the appropriation act, such as fees of witnesses, he would have audited it and it would come here as a certified claim.

LEGAL SERVICES, ALASKA.

Mr. KEIFER. Page 86, payment for legal services.

Mr. KENNARD. That was up in Alaska. The party rendering the service was not properly employed, but he rendered service that was

valuable to the United States; in fact, we recovered a judgment of some \$3,900, and we ask an appropriation for that service.

Mr. LIVINGSTON. You say he was not employed?

Mr. KENNARD. Yes, sir; he was employed, but there was some irregularity about it, but it was approved by the Attorney General.

Mr. DAWSON. When was this service rendered?

Mr. KENNARD. The suit was instituted in December, 1905, and the decree in favor of the United States was entered on June 11, 1910. The services extended along over that period at various times.

Mr. KEIFER. He was an attorney, was he?

Mr. KENNARD. He rendered legal services in behalf of the Government in this matter, but he was not formally appointed, and the law forbids any payments for legal services unless the person rendering it is formally appointed as an assistant to the Attorney General and takes the oath, etc. That provision is made in section 366 of the Revised Statutes.

Mr. KEIFER. How did it happen that he was not formally appointed?

Mr. KENNARD. That is not altogether disclosed by the record in the case. It appeared upon investigation that the then Solicitor General, Mr. Hoyt, virtually directed that they should proceed in the matter and defend the United States, but through some inadvertence, or otherwise, they did not get the formal appointment. If they had had a formal appointment we would not have to make any request for money, but we would pay them out of regular funds.

Mr. KEIFER. You can not pay them now?

Mr. KENNARD. No, sir; it would require action by Congress now.

Mr. KEIFER. Did this attorney appear in the case you have spoken of, that extended from 1905 to 1910 in the courts?

Mr. KENNARD. Yes, sir. This is a firm of attorneys. I would like to have that corrected; that should be Masten.

Mr. KEIFER. And the services amounted to \$940? Do you regard that as reasonable?

Mr. KENNARD. Yes, sir; that is the approved bill; approved by one of the assistants to the Attorney General. The Government recovered \$3,509.04 damages.

Mr. KEIFER. Did the Government collect this judgment?

Mr. KENNARD. Yes, sir.

DETECTION AND PROSECUTION OF CRIMES.

Mr. KEIFER. Detection and prosecution of crimes against the United States, \$45,000; on the same page. What do you know about that?

Mr. FINCH. This deficiency is due to the necessity for the collection of evidence in a large number of cases that are being prosecuted by the department, especially the trust cases. Formerly the cost of the investigation of violation of the Sherman antitrust law was paid out of the appropriation for the enforcement of the antitrust laws; but when the appropriation was made last year, for this year—the present year—for the detection and prosecution of crime, it was considered that it was more appropriate to pay this expense out of our appropriation. Consequently about \$50,000 of unexpected expense was thrown on our appropriation, which left that much more avail-

able for the payment of attorneys. That is simply used for the employment of attorneys, and the work of collecting evidence for our department for any and all cases is paid for out of the appropriation for the detection and prosecution of crime. Then we have had some increase on account of prosecution of the white-slave cases, and the location of fugitives of justice, and violation of the national banking laws; all of those expenses of collecting evidence in such cases are now charged against this appropriation, instead of against a number of appropriations, as used to be the case.

Mr. LIVINGSTON. I do not yet understand why you can not go back to that \$500,000 appropriation and get that money.

Mr. FINCH. Which is that?

Mr. LIVINGSTON. We gave you \$500,000 to prosecute violations of the Sherman antitrust law; what has become of that?

Mr. FIELD. That \$500,000 was exhausted a year or so ago, and Congress has been making annual appropriations since then. The amount of work that has been necessary in these cases is heavier now than it was.

Mr. LIVINGSTON. How many prosecutions have been successfully terminated?

Mr. FINCH. A number of them.

Mr. LIVINGSTON. The newspapers charge that there have been none at all.

Mr. FINCH. Our duty with reference to the collection of evidence is simply to collect the facts and put them before the Attorney General and the attorneys in charge of the different cases.

Mr. LIVINGSTON. You don't go into the courthouse?

Mr. FINCH. We do not appear as attorneys. We simply collect the evidence for the attorneys and they try the cases.

Mr. LIVINGSTON. Have you not a great deal of that kind of testimony piled up on them now?

Mr. FINCH. I really could not go into the details of the different cases, but there has been a very large amount of work done in collecting this evidence.

Mr. LIVINGSTON. You could not say whether you need more attorneys, or better ones, to keep up these suits and terminate them?

Mr. FINCH. We do not employ attorneys from this appropriation.

Mr. LIVINGSTON. But the Attorney General does; you represent him on one side of the case. Congress would like to know why you do not terminate these cases.

Mr. KEIFER. They all have to run along a long time.

Mr. LIVINGSTON. Yes; they are running along, and will run till Gabriel blows his horn.

Mr. FINCH. Of course there have been a number of cases successfully terminated within the last year or so.

Mr. FIELD. There is quite an extended statement of various suits under this antitrust fund in the annual report of the Attorney General presented to you and in his statement here before the committee when the sundry civil bill was under consideration, and if you will refer to his statements at those hearings you would find the information you are now asking for.

Mr. LIVINGSTON. We are constantly annoyed by it from outside sources, and unless we have an answer it is very embarrassing.

ESTATE OF W. K. KIMBALL.

Mr. KEIFER. Page 87, payment to estate of W. K. Kimball, late United States marshal for the district of Maine.

Mr. GLOVER. That is the amount found due him by the Comptroller of the Treasury, and must be paid.

Mr. KEIFER. Is there no money out of which it can be paid?

Mr. LIVINGSTON. Is that an ascertained amount?

Mr. GLOVER. Yes; this is an ascertained account.

REPAIRS TO COURTHOUSE, FAIRBANKS, ALASKA.

Mr. KEIFER. The next item is for repairs to courthouse at Fairbanks, Alaska, \$4,000.

Mr. KENNARD. That is because of a recent fire, and it is estimated that it will take that amount to repair that building.

Mr. KEIFER. The repairs have not yet been made?

Mr. KENNARD. No, sir.

Mr. KEIFER. Why; for want of funds?

Mr. KENNARD. For want of funds.

Mr. KEIFER. That is hardly a deficiency in one sense; it is a necessity.

Mr. KENNARD. Oh, yes.

Mr. LIVINGSTON. Why didn't this get into the sundry civil bill?

Mr. KENNARD. The fire did not occur till two weeks ago.

Mr. DAWSON. Is there any way by which this sum can be paid out of the appropriation for the care and maintenance of public buildings?

Mr. KENNARD. We do not have any.

Mr. DAWSON. Is there no such fund in your department?

Mr. KENNARD. No, sir.

Mr. DAWSON. And this building is not under the Treasury Department?

Mr. KENNARD. No, sir; I believe it was built out of an appropriation that this department procured.

Mr. KEIFER. You want to restore the building?

Mr. KENNARD. Yes, sir.

Mr. LIVINGSTON. You are sure that the Treasury Department has no jurisdiction over it?

Mr. KENNARD. Yes, sir; I am very positive of that.

JUDICIAL—PURCHASE OF LAW BOOKS, ETC.

Mr. KEIFER. The next item is on page 88, "for the purchase of law books and rebinding law books," etc. What have you to say in regard to that?

Mr. KENNARD. This is a case where the balance has been carried to the surplus fund and the bills are coming in.

Mr. KEIFER. Is that deficiency ascertained?

Mr. KENNARD. Yes, sir.

Mr. KEIFER. Are you authorized to buy books if you have no money to pay for them?

Mr. KENNARD. Yes, sir; but before the bill is presented to pay for them the appropriation has gone to the surplus.

Mr. KEIFER. Lapsed into the Treasury?

Mr. KENNARD. Yes, sir.

EXPENSES OF UNITED STATES COURTS.

SALARIES OF DISTRICT ATTORNEYS AND ASSISTANTS.

Mr. KEIFER. The next item is, on page 89 of the bill, "For salaries of United States district attorneys and the expenses of United States district attorneys and their assistants, 1911, \$13,000." Is that a deficiency?

Mr. KENNARD. Yes, sir; we very carefully and closely estimated that deficiency and feel confident that we will need practically all of the amount requested. We pay from that appropriation not only a large number of salaries, but also office expenses and traveling expenses of the district attorneys and their assistants, which vary more or less according to circumstances.

Mr. KEIFER. I notice the appropriation for the fiscal year 1911 was in exact accord with the estimates.

Mr. KENNARD. Yes, sir; it was.

Mr. KEIFER. And this, you find, is in excess of that?

Mr. KENNARD. There has been a slight increase in traveling expenses and a slight increase in the number of salaries, which are fixed by the Attorney General.

Mr. KEIFER. He fixes the salaries of employees and attorneys?

Mr. KENNARD. Not for the attorneys, but it is provided by law that he shall fix the salaries of clerks and stenographers to district attorneys, and they are paid from this appropriation.

Mr. LIVINGSTON. This is not to cover increases in salaries or anything of that kind, is it?

Mr. KENNARD. It is difficult to answer that question, because so many different things are paid from the fund in so many different ways.

Mr. LIVINGSTON. The Attorney General is not authorized to increase salaries, is he?

Mr. KENNARD. Yes, sir.

Mr. LIVINGSTON. First fix them and then raise them?

Mr. KENNARD. He can raise salaries if the circumstances, in his judgment, warrant it, or he may provide additional clerks if the exigencies of the service require it. I would like to invite attention to the fact that the \$549,000 which was appropriated for 1910 was practically all expended, and we feel that no appropriation as large as this, providing for so many other things and for expenses aggregating about \$60,000—we ought to have a little margin of a few thousand dollars at least for exigencies.

Mr. DAWSON. This addition of \$13,000 would make the appropriation for 1911 \$9,000 greater than for the last fiscal year.

Mr. KENNARD. Yes, sir.

Mr. GLOVER. There is a natural increase of business and we have to increase the expenses.

Mr. DAWSON. Have you before you the figures of the unexpended balance of this appropriation?

Mr. KENNARD. Yes, sir; the Treasury balance this morning was \$220,614.

Mr. DAWSON. To run you four months and a little over.

Mr. KENNARD. The disbursing clerk will draw for the payment of office salaries \$210,000 in addition to what he has already. We will,

in all probability, advance to marshals for the payment of traveling expenses between now and June 30 about \$7,000. The settlement of the accounts for office expenses for the remainder of the fiscal year, which have not yet been settled, will, in all probability, consume about \$16,000. We need the \$13,000; the estimate is very close.

Mr. LIVINGSTON. This sum of \$545,000 allotted at the beginning of the year? Do you allot your appropriations?

Mr. KENNARD. How could we allot—

Mr. LIVINGSTON. That is the rule of this committee and of Congress, and if it is not allotted you can not make a deficiency.

Mr. KENNARD. I understand that this committee holds that these appropriations are not within the scope of the allotment law.

Mr. KEIFER. It is not within the scope because this is pretty much one kind of expenditure. But where it is capable of allotment to different duties, I think you are right.

Mr. DAWSON. But this is for the payment of salaries.

Mr. KEIFER. But you can not allot it for salaries and other things out of the same fund.

Mr. KENNARD. The fixing of salaries by law automatically allots a large portion of the appropriation, but it is not possible to allot funds for district attorneys and traveling expenses.

Mr. LIVINGSTON. But one-twelfth of this \$545,000 would be \$45,000 per month; you had no regard for that allotment.

Mr. KENNARD. It would not fit in very well.

Mr. LIVINGSTON. In expending this money you have had no regard for monthly allotments?

Mr. KENNARD. It is not practicable at all, sir. In the months of July and August you see there is very little traveling done, as few courts are in session. During other months, when the courts are in session, there is a very large amount of travel.

Mr. LIVINGSTON. You had \$220,614 left, and if you have spent no more than the regular ratio that you should have allotted out at \$45,000 a month, you should have plenty of money; you have only four months to run.

Mr. KENNARD. It does not do to divide that by months. You see, we have four months to run and the disbursing clerk has five months to draw from that appropriation; he has not yet drawn or paid his salaries for the month of February. That, at once, would throw it off tremendously. That is a Treasury balance.

Mr. KEIFER. The next item is "For the fiscal year, 1908, \$60. Is that a deficiency; is that an ascertained amount?

Mr. KENNARD. These are ascertained amounts due on bills.

Mr. GLOVER. That is a deficiency, for the balance of the appropriation has been carried to the surplus.

FEES OF CLERKS.

Mr. KEIFER. The next item is, "For fees of clerks, \$15,000." What have you to say in regard to that?

Mr. GLOVER. We are satisfied that we need that amount of money to pay the bills, in all human probability, and that is an appropriation that the department can not control at all.

The amount of fees that the clerks have depends on a whole lot of conditions.

Mr. KEIFER. The statute fixes the fees, however.

Mr. GLOVER. Yes, sir; but there are a lot of other conditions that we can not control.

Mr. DAWSON. This is \$5,000 more than for last year. Does the natural increase account for that?

Mr. KENNARD. This is really not \$5,000, although it appears on the surface that way. In the record you will find certified claims for the fiscal year 1910 and in this report, which will bring 1910 up to and a little over \$5,000 in excess of the appropriation already made. In other words, the appropriation for the year 1910, for fees for clerks will be, when you have appropriated for these certified claims, \$340,000 in round numbers.

FEES OF WITNESSES.

Mr. KEIFER. At the top of the next page there is an item for fees of witnesses and for the payment of the actual expense of witnesses.

Mr. KENNARD. In making the appropriation for 1911, the committee cut us off \$75,000; this deficiency only brings the appropriation up to the original estimate of the department for fees of witnesses.

Mr. GLOVER. That is another appropriation that we can not control.

Mr. KENNARD. It is impossible to tell what the expenses will be.

Mr. DAWSON. What is the unexpended balance in that appropriation at this time?

Mr. KENNARD. The unexpended Treasury balance is \$278,000. But we figure the deficiency a little differently from that; it is misleading to take the balance in the Treasury as a guide in the matter. We find by going over the record that we expended for fees of witnesses, up to the close of business on December 31, in round numbers, \$400,000. Now, experience has shown that about two-fifths of the expense for fees of witnesses falls in the first half of the fiscal year, and you can readily figure that if \$400,000 is two-fifths, then five-fifths will be about a million dollars. Now, it is necessary for us to make advances of fees for witnesses to nearly a hundred separate offices, otherwise they might be very greatly embarrassed. It is possible that there may be no actual deficiency. But there may be emergencies that will bring it up to what we have estimated will be the amount needed.

Mr. LIVINGSTON. You have spent \$578,000 up to this time and you still have \$278,000 on hand?

Mr. KENNARD. Yes; \$278,000 in the Treasury.

Mr. GLOVER. You see the accounts for the December quarter have not yet gone through the Treasury.

Mr. KENNARD. The Attorney General feels that we should have sufficient money to meet those cases in which we have to bring a great many witnesses, perhaps all the way across the continent, at enormous expense, in order to protect vital interests of the Government.

Mr. LIVINGSTON. You do not follow the practice of taking interrogatories on the Pacific slope and bringing them here?

Mr. KENNARD. That might do in civil cases, but it would not do in criminal cases.

Mr. DAWSON. This \$278,000 Treasury balance is exclusive of advances you have already made?

Mr. KENNARD. Yes, sir.

Mr. DAWSON. Then you estimate that you will require for the remainder of this fiscal year \$353,000; \$278,000 and \$75,000 would make \$353,000?

Mr. KENNARD. I do not think we will spend that money; that is, I do not think that money will all be paid to witnesses, but I think we will need it for the purpose of making advances to prevent embarrassment in procedure, and a good deal of it will be turned in after June 30 by the various marshals, who can not tell what they need.

Mr. KEIFER. Well, \$75,000 would only run it up to \$950,000.

Mr. KENNARD. You have already appropriated \$875,000, and \$75,000 would be \$950,000; yes, sir.

Mr. KEIFER. That would not bring you up to a million?

Mr. KENNARD. No, sir.

MISCELLANEOUS EXPENSES.

Mr. KEIFER. The next item is, "For payment of such miscellaneous expenses as may be authorized by the Attorney General for the United States courts and their officers for fiscal years, as follows: For the fiscal year 1911, \$60,000."

Mr. KENNARD. This is a very conservative estimate.

Mr. DAWSON. This sum of \$60,000, added to the appropriation for 1911, will make a total appropriation under this item of \$500,000, a half a million dollars?

Mr. KENNARD. Yes, sir.

Mr. DAWSON. Congress gave you your original estimate for 1911?

Mr. KENNARD. Yes, sir.

Mr. DAWSON. What has arisen since those estimates were made to require this \$60,000 additional?

Mr. KENNARD. Well, a number of matters of importance have come up. One of the principal items is the condemnation proceedings at Sault Ste. Marie, Mich. It was estimated by the attorney in charge of the case that the cost for expert testimony in that case alone may amount to \$25,000. In addition to that the marshal for the United States Supreme Court has informed us that the expenses of the Supreme Court this year will probably be \$10,000 greater than they were during the last fiscal year, and a third item is the payment from this appropriation of an expert in a civil case, which we did not anticipate, that will take about \$10,000. Those are special items.

Mr. KEIFER. The amount appropriated last year must have been \$720,000, including the deficiency?

Mr. KENNARD. Well, this appropriation was used by the bureau of investigation, which has a separate appropriation now.

Mr. KEIFER. There was \$575,000 appropriated for the fiscal year 1910, and then a \$145,000 deficiency?

Mr. KENNARD. Yes, sir; in all \$720,000, of which we used about \$435,000, and the bureau of investigation, which now has a separate fund, used the balance.

Mr. LIVINGSTON. What civil case is it you refer to that costs for an expert \$10,000?

Mr. GLOVER. It is the Greene and Gaynor matter.

Mr. LIVINGSTON. The defaulters in Savannah, is that it?

Mr. GLOVER. Yes, sir.

Mr. KEIFER. The next item is at the top of page 91, "For the fiscal year 1908, \$761.62." That is the deficiency of 1908, I suppose, and it is ascertained, is it not?

Mr. KENNARD. Those are ascertained amounts, but there is one amount there that can be left out.

Mr. KEIFER. Which one is that?

Mr. KENNARD. Since this estimate was made we have found that that belongs in a later year, for the fiscal year 1906, \$197.70; that can be omitted.

Mr. KEIFER. Entirely taken out?

Mr. KENNARD. Entirely taken out.

Mr. KEIFER. "For the fiscal year 1906, \$197.70." That is an ascertained deficiency?

Mr. KENNARD. That is correct.

Mr. KEIFER. "For supplies for the United States courts and judicial officers, to be expended under the direction of the Attorney General, for the fiscal year 1906, 54 cents."

Mr. KENNARD. That is an old freight bill that came wandering in through the War Department.

Mr. KEIFER. I believe that is all.

Mr. LA DOW. General, there is one other thing, and that is the support of prisoners in the District of Columbia, on page 42.

SUPPORT OF PRISONERS.

Mr. KEIFER. "Support of prisoners: For expenses for maintenance of the jail of the District of Columbia, including pay of guards, and all other necessary personal services, and for support of prisoners therein, to be expended under the direction of the Attorney General, \$5,000." Is that what you refer to?

Mr. LA DOW. Yes, sir.

Mr. KEIFER. What have you to say about that?

Mr. LA DOW. While we got \$60,000, the amount estimated, yet the expenses for the first six months of the fiscal year are \$33,000. As you know, the transfer of the jail is up from the Attorney General to the District Commissioners, and the removal of prisoners from the jail to the new workhouse site. We did not remove the prisoners as rapidly as we expected we would when the estimate was asked for. Therefore, we will need about \$5,000 for the balance of the fiscal year. Warden McKee is present with me and can answer any questions about the details of the administration.

Mr. KEIFER. The point we want to hear about is the necessity for having that much more money than the appropriation.

Mr. LA DOW. As I said, General, the expenses for the first six months are \$33,000; that would be \$66,000 for the year.

Mr. KEIFER. On that ratio?

Mr. LA DOW. Yes, sir; and we can not decrease the number of prisoners at present.

Mr. KEIFER. Part of the expense is for transferring them?

Mr. LA DOW. No; it is entirely for the expense of maintenance of the prisoners in the jail.

Mr. KEIFER. You expect to reduce the number, do you not?

Mr. LA DOW. They are being constantly reduced, and the amount needed will be less from time to time until the jail finally passes out of the jurisdiction of the Attorney General and over to the District Commissioners. We had \$76,000 in 1910, and we only had \$60,000 in 1911; if we get the \$5,000 that we are now asking for, that will be \$65,000, or \$11,000 less than in 1910.

Mr. KEIFER. And going down gradually until it is ended?

Mr. LA DOW. Yes, sir.

DEPARTMENT OF AGRICULTURE.

STATEMENT OF HON. JAMES WILSON, SECRETARY OF AGRICULTURE, ACCOMPANIED BY MR. HENRY S. GRAVES, CHIEF FORESTER.

FOREST SERVICE, GENERAL EXPENSES.

The CHAIRMAN. Mr. Secretary, the first deficiency item we have for the Agricultural Department is on page 92 of the bill in front of you, which is a deficiency in the Forestry Service aggregating \$915,000.

Secretary WILSON. That is for the burning of the forests. Now, whatever facts you would like to have, we have them here.

The CHAIRMAN. Was that a deficiency in the fiscal year 1911?

Mr. GRAVES. Yes, sir. There is in the appropriation bill an item of \$135,000 for fighting fires, and the amount expended for the big fires this year will aggregate, when all the items come in, about \$1,050,000, and that, less \$135,000, leaves \$915,000, and that is the item which is expressed in this request.

The CHAIRMAN. What is the amount of claims now on file against the Government, and what is the nature of those claims in connection with the fighting of fires?

Mr. GRAVES. There has been actually expended for fighting fires \$1,020,463.58.

The CHAIRMAN. You have actually expended that amount?

Mr. GRAVES. That amount has been actually expended for labor, supplies, and other items connected with fighting fires last summer and through the fall.

The CHAIRMAN. Aside from the labor, what are the other principal items?

Mr. GRAVES. The labor covers 66.2 per cent of the expenditures; subsistence, supplies, 19 per cent; traveling expenses, that is, of our men under regular employment, 2.8 per cent; transportation charges, that is, transportation of men to the fires, supplies, freight, and so forth, 7.6 per cent; tools, equipment, and miscellaneous, 4.4 per cent. This total amount which has been actually expended does not cover the whole cost; there are some liabilities which have not yet been met.

The CHAIRMAN. What was your total appropriation for the fiscal year 1911 for this service?

Mr. GRAVES. I am sorry to say I have not that item, but it was a little over \$5,000,000.

The CHAIRMAN. Out of the appropriation for this fiscal year are you limited, in terms, to the expenditures of \$135,000 for fighting fires?

Mr. GRAVES. That was a special item, but in the appropriation bill there is authority for the Secretary of Agriculture to divert other funds in cases of emergency.

The CHAIRMAN. Your appropriation was \$5,008,000; that was the total for the Forestry Service?

Mr. GRAVES. Yes, sir.

The CHAIRMAN. Now, what amount remains unexpended at this time?

Mr. GRAVES. \$604,573.03. This balance, at the ordinary rate of withdrawal, will be exhausted about April 15, according to the accounts.

The CHAIRMAN. What is the average monthly expenditure throughout the year, outside of extraordinary occasions such as you had last year?

Mr. GRAVES. I am sorry I did not bring those figures with me; I can insert them in the record. But during the winter months it is not nearly as large as it is in the summer, because we drop a great many men.

The CHAIRMAN. What is the total area now in the forest reservations?

Mr. GRAVES. The total, including alienated lands that are within the forest boundaries, is 191,250,038 acres, and about 11 per cent of that is alienated.

The CHAIRMAN. About 11 per cent of it is in private ownership?

Mr. GRAVES. Yes, sir; in homesteads, timber holdings, railroad lands, and so forth.

The CHAIRMAN. In what period of time has that amount of land been set aside and devoted to forestry purposes?

Mr. GRAVES. For the most part, as I recollect, since about 1900.

The CHAIRMAN. Practically all has been set aside, Mr. Secretary, has it not, within the last 10 years?

Secretary WILSON. The majority has, but the biggest percentage in the last four years. It was begun in Cleveland's day, and all the Presidents since that time have been setting apart some, but the heavy reservations were made during the last administration previous to this one.

The CHAIRMAN. Has any part of the reservations been restored to the public domain?

Secretary WILSON. Yes, sir; we restored some, and we are at work restoring, or have restored, some 6,000,000 acres. I had a survey made to ascertain how much land might be turned back into the public domain so the people could settle upon it, and that amounted to pretty nearly 6,000,000 acres before we got through with it.

The CHAIRMAN. How much?

Secretary WILSON. Something like 6,000,000 acres, and there will probably be some more after we get more time. The forests, you know, were surveyed hastily and some timber left out and some farm lands included, but eventually we will get the thing entirely run down.

The CHAIRMAN. Have you eliminated any part of the Alexander Archipelago Forest Reserve in southeastern Alaska?

Mr. GRAVES. No; I think not.

The CHAIRMAN. Is it not the Alexander Archipelago Forest Reserve? What is the name of that reserve in southeastern Alaska?

Mr. GRAVES. I think there has been only one elimination from the Alaska forests, and that was a very small area on Controller Bay, which was cut out last summer because we found it was all mud flats, and desired by several people for locations of terminals for railroads, and so a small area was cut out pending the time that we could make examination.

The CHAIRMAN. What are you doing in southeastern Alaska as to utilizing the matured timber?

Mr. GRAVES. There, as well as in the United States, the timber is open to sale, and when there are applications for the sale of timber—

The CHAIRMAN. The terms and conditions in the forests in the United States are wholly inapplicable to the conditions that exist in southeastern Alaska?

Mr. GRAVES. The requirements of the Forestry Service are very much more lenient in Alaska than they are in the United States.

The CHAIRMAN. Well, you have no surveys there, and the only way you can utilize the dead and down timber that is valuable for lumber is by allowing longer permits than you allow in the United States; is that not so?

Mr. GRAVES. I do not think we have had any requests for any large sales up there.

The CHAIRMAN. You have not because it is impossible for anybody to operate in southeastern Alaska under the terms and conditions of the bureau. I know that very well; I have been up there twice, and there is one concern—not in my district—but in the State of Minnesota, that owns a sawmill up there, and there is as fine a body of white spruce, right in close proximity to it, as you ever saw, but they will not improve their mill, and can not do it on a permit of one year.

Secretary WILSON. We give longer permits than that to people who need more time; we give as much as five years.

Mr. GRAVES. Constantly.

The CHAIRMAN. Then you have changed your rules recently.

Secretary WILSON. We are doing that now.

Mr. GRAVES. We have offered a body of timber in California with a 10-year permit.

Secretary WILSON. It depends upon the requirements of the neighborhood.

The CHAIRMAN. You will need all of this \$915,000, then, to continue the service until the expiration of this fiscal year?

Mr. GRAVES. Yes, sir. The liabilities will bring the total up nearly to the whole amount, and then the spring fires will undoubtedly a good deal more than exceed that, and we will have to draw upon our other miscellaneous funds to meet any further expenditures. In the Southwest, and in the forests of Arkansas and Florida, the fires occur in the spring. Ordinarily our total fire bill has only been about \$75,000, about one-third of which, a little less than that, has been expended in the spring, before the first of July, and the rest during the summer and fall; so we have to count on a little leeway for those fires this spring.

The CHAIRMAN. Are all of your liabilities on account of the fires last summer paid up now?

Mr. GRAVES. They have not been actually paid, but there is enough money in this \$915,000 to pay them. We estimate about \$10,000 for our spring fires.

The CHAIRMAN. Do you know whether or not all of the items have been sent into the bureau for which you are liable on account of fighting fires last summer?

Mr. GRAVES. They have not been sent in, but we have gotten estimates from the field as to the liabilities, and I think those are liberal enough to cover that, so that this \$915,000 would meet the case, and it would enable us, even if there were some more, to draw on our other funds.

Mr. DAWSON. Have you any information as to the likelihood of a recurrence of these fires of this last year; that is, what is going to happen this year?

Mr. GRAVES. Every once in a while, periodically, there is a combination of conditions—excessively dry weather, high winds, and so on, which makes the forests very inflammable, and during those years are the greatest forest fires. We had that condition last summer in the West; it was the driest season ever known to the Weather Bureau.

Mr. DAWSON. Have you any reason to anticipate it will recur this year?

Mr. GRAVES. We have no reason to anticipate it will; I think it would be very unusual, very extraordinary, if we had as bad a condition as we had last year, and we are going to be able to meet conditions a great deal better because we have had this experience, and our men will be better equipped to fight the fires, and the present bill carries an emergency fund which will enable us to meet them if they occur. I anticipate, though, that there will not be anything like that. Would you like to have me insert a detailed account of the expenditures?

The CHAIRMAN. Yes; I wish you would give that to the stenographer and have it inserted in the record.

Classified statement of expenditures for fire fighting on national forests from July 1, 1910, to Dec. 1, 1910, exclusive of salaries of regular employees.

DISTRICT NO. 1.

National forests.	Labor.	Subsistence supplies.	Travel expenses.	Transportation charges.	Tools, equipment, and miscellaneous.	Total.
Absaroka.....	\$1,537.00	\$611.00	\$53.50	\$160.50	\$93.00	\$2,455.00
Beartooth.....	2,092.09	430.05	55.00	179.25	83.70	2,840.09
Beaverhead.....	2,760.74	1,106.86	89.25	268.00	215.92	4,440.77
Bitterroot.....	10,595.34	3,322.76	335.00	1,004.69	1,438.70	16,696.49
Blackfeet.....	32,072.32	15,045.00	990.92	3,800.00	177.80	52,086.04
Cabinet.....	51,645.52	13,614.59	1,711.25	5,133.12	2,013.20	74,117.68
Clearwater.....	33,739.00	10,571.00	3,356.25	10,071.25	6,594.48	64,331.98
Coeur d'Alene.....	90,645.65	30,344.09	3,605.30	10,817.35	8,438.92	143,851.31
Deerlodge.....	3,318.64	1,284.03	511.25	1,577.23	746.92	7,438.09
Flathead.....	16,063.20	6,122.80	1,094.38	3,104.34	6,104.04	32,488.76
Gallatin.....	6,968.50	1,500.00	358.00	811.70	414.53	10,052.73
Helena.....	5,161.13	714.03	124.05	275.00	212.51	6,486.72
Jefferson.....	7,297.31	2,604.71	163.40	483.30	68.28	10,617.00
Kaniksau.....	23,993.03	6,633.60	712.66	2,130.27	958.24	34,427.80
Kootenai.....	55,048.77	13,611.44	1,132.20	4,921.10	2,195.74	76,909.25
Lewis and Clark.....	9,313.97	3,623.03	633.12	2,071.10	747.42	16,388.64
Lolo.....	52,282.00	16,391.00	2,402.25	7,310.75	2,621.00	81,007.00
Madison.....	99.10	56.55	.....	6.00	154.45	316.10

Classified statement of expenditures for fire fighting on national forests from July 1, 1910, to Dec. 1, 1910, etc.—Continued

DISTRICT NO. 1.

National forest.	Labor.	Subsistence supplies.	Travel expenses.	Transportation charges.	Tools, equipment, and miscellaneous.	Total.
Michigan.....					\$4.00	\$4.00
Minnesota.....	\$762.34	\$111.40				873.74
Missoula.....	13,497.65	5,229.56	\$732.33	\$2,236.23	923.00	22,618.77
Nezperce.....	9,068.20	1,339.12	154.00	654.08	289.07	11,504.47
Pend Oreille.....	29,323.41	10,007.48	1,123.70	3,453.21	1,209.08	45,116.88
Sioux.....	428.87	32.30		5.75	26.95	493.87
Superior.....	3,211.43	698.59	73.30	150.04	337.56	4,470.92
Total.....	460,925.21	145,004.99	19,411.11	60,624.28	36,068.51	722,034.10

DISTRICT NO. 2.

Arapaho.....		\$2.10		\$3.00	\$22.00	\$27.10
Battlement.....	\$10.00					10.00
Bighorn.....	208.50	11.45			3.00	222.95
Black Hills (north).....	15,453.85	1,068.19	\$362.35	256.87	80.90	17,222.16
Black Hills (south).....	7,056.90	1,094.24	220.70	197.00	81.90	8,650.74
Bonneville (Green River).....	103.92	71.18		7.28		182.38
Bonneville (Sweetwater).....	671.50	79.24	44.50	21.00	21.00	837.24
Bonneville (Wind River).....	359.70	66.87		2.00		428.57
Cochetopa.....	276.00	13.44		24.70	64.00	378.14
Colorado.....	1,240.60	515.30	55.10			1,811.00
Gunnison.....	12.00	2.65	1.00		3.50	19.15
Holy Cross.....	103.49	8.50				111.99
Leadville.....	19.60	12.40	48.15	5.00		85.15
Medicine Bow.....	302.80	135.84		15.00		453.64
Pike.....	629.44	48.23	175.90	40.30	68.45	962.32
Routt.....	878.22	482.19	168.00	61.25	87.40	1,677.06
San Isabel.....	256.23	32.03	19.70	10.50	3.25	321.71
San Juan (east).....	7.50		4.50			12.00
San Juan (west).....	6.71		1.50			8.21
Shoshone.....	26.25			12.00		38.25
Sopris.....	87.00	3.00				90.50
Sundance.....	109.15	19.25		11.25		139.65
Uncompahgre.....	27.25			3.00		30.25
White River.....	18.00			8.00		26.00
Total.....	27,864.61	3,666.60	1,101.40	678.15	435.40	33,746.16

DISTRICT NO. 3.

Apache.....		\$16.42				\$16.42
Crook.....	\$59.46					59.46
Datil.....	10.25	11.66				21.91
Gila.....	15.00	34.24				49.24
Jemez.....	10.00					10.00
Lincoln.....		2.30	\$2.00			4.30
Manzano.....	2.00					2.00
Pecos.....	6.00					6.00
Sitgreaves.....	386.11	99.80	36.37			522.28
Total.....	488.82	164.42	38.37			691.61

DISTRICT NO. 4.

Ashley.....	\$76.00	\$13.38			\$3.80	\$93.18
Boise.....	267.30	102.12		\$21.00	29.13	419.55
Cache.....	20.75			4.00		24.75
Caribou.....	227.59	20.00			5.65	253.24
Challis.....	3,416.71	439.36	\$191.10	416.20	125.36	4,588.73
Fillmore.....	6.00					6.00
Idaho.....	4,006.25	695.96	195.25	608.10	198.58	5,704.14
Lemhi.....	53.10		5.00	13.50		71.60
Palisade.....	5,422.90	1,077.80	82.52	414.22	307.54	7,304.98
Payette.....	297.90	67.56	7.55	24.25	19.27	416.53
Pocatello.....	2.40		3.90			6.30
Salmon.....	5,264.89	1,070.74	273.39	1,037.21	305.53	7,951.76
Sawtooth.....	152.31	12.25		25.25	4.13	193.94
Targhee.....	6,499.34	1,792.21	616.67	1,541.88	511.40	10,961.50

Classified statement of expenditures for fire fighting on national forests from July 1, 1910, to Dec. 1, 1910, etc.—Continued

DISTRICT NO. 4—Continued.

National forest.	Labor.	Subsistence supplies.	Travel expenses.	Transportation charges.	Tools, equipment, and miscellaneous.	Total.
Teton.....	\$2,768.77	\$529.00	\$93.50	\$127.50	\$150.95	\$3,669.72
Wasatch.....	45.90	24.81	5.00	3.25	7.07	86.03
Weiser.....	3,717.59	593.50	34.80	248.85	169.34	4,764.08
Wyoming.....	1,275.80	360.54	.....	199.62	102.88	1,938.84
Total.....	33,521.50	6,799.23	1,508.68	4,684.83	1,940.63	48,454.87

DISTRICT NO. 5.

Angeles.....	\$244.16	\$65.85	.....	\$26.60	.....	\$336.61
California.....	1,072.75	302.36	\$13.00	250.15	\$41.40	1,679.76
Cleveland.....	494.25	51.90	69.40	9.50	7.45	632.10
Idorado.....	972.68	174.65	6.85	39.50	45.55	1,239.23
Inyo.....	19.00	1.50	.....	.....	.....	20.50
Kern.....	259.40	145.06	.....	10.80	.....	415.26
Klamath.....	7,672.54	2,322.76	64.75	566.88	186.94	10,813.87
Lassen.....	2,158.02	710.44	3.99	316.85	40.55	3,229.85
Modoc.....	1,414.90	363.32	177.02	82.00	67.25	2,104.49
Monterey.....	208.00	56.31	10.50	.....	.....	274.81
Plumas.....	10,136.10	1,945.47	221.05	546.68	220.15	13,009.45
Santa Barbara.....	1,095.28	158.83	.....	45.50	36.75	1,336.36
Sequoia.....	586.00	160.82	.....	16.50	.....	763.32
Shasta.....	3,522.70	921.96	151.93	632.10	551.35	5,780.04
Sierra.....	719.35	630.35	85.25	.....	.....	1,434.95
Stanislaus.....	600.26	228.39	.....	24.50	23.80	879.95
Tahoe.....	4,110.25	867.79	102.45	1,154.05	206.84	6,441.38
Trinity.....	3,673.62	1,157.09	79.64	389.47	204.25	5,504.07
Total.....	38,959.26	10,264.85	988.53	4,111.08	1,632.28	55,956.00

DISTRICT NO. 6.

Cascade.....	\$7,403.69	\$1,712.56	\$1,554.62	\$1,690.71	\$158.90	\$12,520.48
Chelan.....	1,995.42	395.56	75.97	145.17	85	2,612.97
Chelan (Okanogan).....	6,912.35	1,667.23	57.50	275.10	51.75	8,964.33
Columbia.....	1,769.14	335.88	31.50	32.80	9.40	2,178.72
Colville.....	13,603.00	1,660.92	606.33	188.75	241.05	16,500.05
Crater.....	27,979.44	7,233.11	694.75	1,502.98	2,116.44	39,526.72
Deschutes.....	333.05	233.81	96.74	5.00	3.40	672.03
Fremont.....	447.83	307.73	106.90	68.50	36.30	967.26
Malheur.....	1,075.50	376.84	81.77	271.52	17.50	1,823.13
Oregon.....	2,644.32	778.08	166.25	288.20	141.98	4,018.83
Olympic.....	456.25	126.36	50.00	9.25	28.15	670.01
Rainier.....	8,100.95	2,120.34	279.10	252.43	5.72	10,758.54
Siskiyou.....	3,427.13	907.23	147.00	289.25	180.40	4,951.01
Siuslaw.....	306.14	88.28	.....	25.82	51.58	471.82
Snoqualmie.....	1,370.15	355.74	393.60	8.25	203.18	2,330.92
Umatilla.....	1,269.45	232.07	20.95	98.75	4.20	1,625.42
Umpqua.....	9,720.82	2,275.40	245.10	1,002.06	92.75	13,336.13
Wallowa.....	6,172.00	1,014.42	91.25	558.70	205.61	8,042.58
Wenatchee.....	2,695.95	503.66	356.55	98.00	151.10	3,805.26
Whitman.....	10,411.30	2,097.37	983.41	417.96	580.23	14,490.27
Washington.....	118.10	.....	.....	.....	13.85	131.95
Wenatchee.....	3,254.92	809.24	192.25	16.65	.....	4,273.06
Total.....	111,467.50	25,431.86	6,231.94	7,245.85	4,294.34	154,671.49

TOTAL FOR DISTRICTS 1 TO 6.

District 1.....	\$460,925.21	\$145,004.99	\$19,411.11	\$60,624.28	\$36,068.51	\$722,034.10
District 2.....	27,864.61	3,666.60	1,101.40	678.15	435.40	33,746.16
District 3.....	488.82	164.42	38.37	.....	.....	691.61
District 4.....	33,521.50	6,799.23	1,508.68	4,684.83	1,940.63	48,454.87
District 5.....	38,959.26	10,264.85	988.53	4,111.08	1,632.28	55,956.00
District 6.....	111,467.50	25,431.86	6,231.94	7,245.85	4,294.34	154,671.49
Total.....	673,226.90	191,331.95	29,280.03	77,344.19	44,371.16	1,015,554.23
Percentage.....	(6.2	19	2.8	7.6	4.4	100

The average price paid for hire of pack animals in all districts was approximately \$1 per day.

Classified statement of expenditures for fire fighting on national forests from July 1, 1910, to Dec. 1, 1910, etc.—Continued.

	Actually expended.	Present total allotments, including liabilities.
District 1.....	\$730,767.27	\$741,000
District 2.....	31,549.84	33,000
District 3.....	816.11	10,000
District 4.....	45,480.79	46,700
District 5.....	55,950.09	59,000
District 6.....	155,899.48	160,300
	1,020,463.58	1,050,000

Mr. GRAVES. I have also a pretty complete statement regarding the fires, the causes of the fires, and various other information tabulated here.

The CHAIRMAN. You might put that in also.

National forest fire statistics, calendar year 1910—Recapitulation by States.

States.	Class of fires.				Location of origin.			Causes of fires.									
	A.	B.	C.	Total.	On national for- est land.	On private land inside forest.	On land outside forest boundary.	Railroads.	Lightning.	Incendary.	Brush burning.	Campers.		Sawmills.	Unknown.	Miscellaneous.	Total.
												No.	No.				
Arizona.....	No. 63	No. 39	No. 83	No. 185	No. 174	No. 10	No. 1	No. 13	No. 51	No. 1	No. 2	No. 21	No. ...	No. 69	No. 28	No. 185	
Arkansas.....	20	66	329	415	303	97	15	8	2	161	13	21	1	207	2	415	
California.....	126	101	326	553	319	149	85	11	110	59	29	63	11	204	66	553	
Colorado.....	256	70	61	387	303	52	32	246	36	2	8	45	2	38	10	387	
Florida.....	8	2	8	28	8	20	...	...	1	7	10	4	...	6	...	28
Idaho.....	361	96	287	744	526	64	154	189	162	16	76	90	7	161	43	744	
Kansas.....	...	9	...	9	9	...	...	...	9	...	...	...	...	...	...	9
Michigan.....	13	8	...	21	4	17	...	16	...	...	1	...	...	4	...	21
Minnesota.....	83	16	34	133	107	14	12	88	2	...	17	8	...	18	...	133	
Montana.....	733	121	275	1,129	693	205	231	693	124	10	53	95	9	114	31	1,129	
Nebraska.....	...	...	3	3	1	...	2	...	...	...	2	...	...	1	...	3
Nevada.....	7	1	...	8	8	...	...	...	5	1	...	2	...	...	...	8
New Mexico.....	91	32	61	184	163	14	7	4	43	1	7	63	1	43	22	184	
North Dakota.....	...	1	...	1	1	...	...	...	1	...	...	...	...	...	...	1
Oklahoma.....	1	1	1	3	2	...	1	...	1	...	1	...	...	...	1	3
Oregon.....	141	107	247	495	350	70	75	12	74	37	35	144	6	173	14	495	
South Dakota.....	39	24	143	206	193	13	...	143	17	...	5	5	...	34	2	206	
Utah.....	6	9	11	26	14	2	10	2	5	1	5	7	...	6	...	26	
Washington.....	307	69	137	513	152	92	269	248	42	4	39	69	13	79	19	513	
Wyoming.....	103	23	31	157	107	31	19	31	39	2	4	50	1	27	3	157	
Alaska.....	1	...	...	1	1	...	...	...	...	...	...	1	...	...	...	1
Total.....	2,359	805	2,037	5,201	3,438	850	913	1,704	724	302	307	688	51	1,184	241	5,201	

National forest fire statistics, calendar year 1910—Recapitulation by States—Continued.

States.	National forest lands.							
	Area burned over.			Damage to timber, reproduction, and forage.				
	Tim- bered.	Open.	Total.	Timber destroyed or damaged.		Repro- duction value.	Forage value.	Total value.
				Amount.	Value.			
	<i>Acres.</i>	<i>Acres.</i>	<i>Acres.</i>	<i>M. B. F.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Arizona.....	88,060	36,088	124,148	18,338	19,322	127,054	2,038	148,414
Arkansas.....	260,836	1,075	261,911	11,490	19,128	55,821	23,896	98,865
California.....	152,517	106,196	258,713	116,526	217,726	113,218	1,642	332,586
Colorado.....	2,236	1,194	3,430	4,732	6,629	11,473	53	18,155
Florida.....	10,000		10,000	1,000	500	700		1,200
Idaho.....	1,149,863	569,549	1,719,412	4,021,196	10,186,163	3,139,695	66,315	13,392,173
Kansas.....		640	640				20	20
Michigan.....		1,080	1,080			150		150
Minnesota.....	10,323	11,060	21,383	2,015	10,150	18,100	50	28,300
Montana.....	943,738	81,212	1,024,950	1,613,324	3,649,151	4,984,119	3,086	8,636,356
Nebraska.....	341	109,299	109,640			5,115	11,525	16,640
Nevada.....	3	10	13	2	6	6	1	13
New Mexico.....	23,717	22,924	46,641	1,578	4,120	15,156	371	19,686
North Dakota.....	2		2	2		5		5
Oklahoma.....	200	380	580	10	20	20		40
Oregon.....	187,276	81,423	268,699	564,586	620,980	365,263	3,970	990,213
South Dakota.....	10,637	786	11,423	7,393	22,960	48,504	46	71,510
Utah.....	63	2,002	2,065	89	186	90	32	308
Washington.....	218,258	19,295	237,553	130,667	105,363	173,680	1,048	280,091
Wyoming.....	20,039	11,931	31,970	15,421	27,315	122,766	289	150,370
Total.....	3,078,109	1,056,144	4,134,253	6,508,369	14,889,724	9,180,989	114,382	24,185,095

States	Private lands in national forest.				
	Areas burned over.			Timber destroyed or damaged.	
	Tim- bered.	Open.	Total.	Amount.	Value.
	<i>Acres.</i>	<i>Acres.</i>	<i>Acres.</i>	<i>M. B. F.</i>	<i>Dollars.</i>
Arizona.....	1,766	385	2,151	1,716	1,808
Arkansas.....	234,266	5,115	239,381	11,989	19,374
California.....	86,358	22,273	108,631	93,420	189,843
Colorado.....	730	100	830	477	918
Florida.....	200,000		200,000	20,000	10,000
Idaho.....	27,663	14,031	41,694	446,742	1,213,488
Michigan.....		750	750		
Minnesota.....	18,528	3,093	21,621	11,000	60,000
Montana.....	102,874	8,289	111,163	287,306	686,870
Nebraska.....		5,960	5,960		
New Mexico.....	1,086	685	1,771	417	1,396
Oregon.....	34,797	15,384	50,181	164,433	199,808
South Dakota.....	508	415	923	59	231
Utah.....		2,320	2,320		
Washington.....	18,178	6,230	24,408	18,254	28,058
Wyoming.....	709	425	1,134	108	339
Total.....	727,463	85,455	812,918	1,055,921	2,412,133

National forest fire statistics, calendar year 1910—Recapitulation by States—Continued.

States.	Cost of fighting fires—Division of cost according to location.							
	Tempo- rary labor.	Guard and ranger labor.	Tools, supplies, etc.	Total cost.	On national forest land.	On private lands inside forest bound- aries.	On lands outside forest bound- aries.	Value of coopera- tion.
	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Arizona.....	4,806.21	2,020.00	1,551.53	8,377.74	7,809.41	565.00	3.33	1,750.26
Arkansas.....	3,456.49	2,014.48	129.60	5,600.57	4,384.39	1,138.17	78.01	2,018.80
California.....	40,972.74	10,618.48	17,417.13	69,008.35	53,176.84	10,842.18	4,989.33	28,659.70
Colorado.....	4,771.27	1,593.24	1,425.99	7,790.50	4,577.90	574.84	2,637.76	2,120.43
Florida.....	49.35	110.44	38.00	197.79	197.79			18.65
Idaho.....	220,508.16	39,403.59	125,878.59	385,790.34	313,771.18	17,847.91	54,171.25	30,887.73
Michigan.....	4.00	4.41		8.41	8.41			304.00
Minnesota.....	3,398.40	971.65	420.36	4,790.41	2,532.14	2,194.05	64.22	110.00
Montana.....	272,387.98	31,285.71	149,487.95	453,161.64	360,558.84	40,601.34	52,001.46	21,328.58
Nebraska.....	52.20	16.00		68.20	68.20			176.80
Nevada.....		3.33		3.33	3.33			
New Mexico.....	1,380.95	925.63	733.79	3,040.37	2,944.99	61.68	33.70	817.00
Oklahoma.....		10.56		10.56	10.56			42.00
Oregon.....	67,930.59	13,060.21	36,285.76	117,276.56	87,623.68	13,250.12	16,402.76	9,300.85
South Dakota.....	22,722.70	1,280.67	4,077.55	28,080.92	27,957.05	114.87	9.00	11,314.20
Utah.....	151.65	177.40	68.86	397.91	248.55	48.50	100.86	44.75
Washington.....	38,572.75	6,586.76	10,377.83	55,537.34	41,239.42	8,146.73	6,151.19	9,184.09
Wyoming.....	5,971.51	2,778.75	2,209.14	10,959.40	9,947.44	44.51	967.45	3,169.97
Alaska.....		3.33	15.00	18.33	18.33			
Total.....	687,136.95	112,864.64	350,117.08	1,150,118.67	917,078.45	95,429.90	137,610.32	121,247.81

Summaries and analysis of national forest fire reports for 1910 and 1909.

[Private lands within national forest boundaries included.]

	1910		1909	
1. Area of national forests (acres).....	191,250,038		194,505,525	
2. Total area burned over (acres).....	4,947,171		362,014	
3. Area per 1,000 acres burned over.....	25.87		1.86	
4. Timbered area burned over (acres).....	3,805,572		209,671	
5. Timbered area (per cent of total area burned over).....	76.92		57.92	
6. Quantity of timber destroyed or damaged (M. B. F.).....	7,564,290		169,410	
7. Losses by fires:				
In timber.....	\$17,301,857.00		297,275.00	
In reproduction and forage.....	9,295,371.00		158,971.00	
Total.....	26,597,228.00		456,246.00	
8. Cost of fire fighting:				
Labor (exclusive of forest officers' salaries).....	687,136.95		39,597.83	
Supplies, etc.....	350,117.08		15,072.00	
Total.....	1,037,254.03		54,669.83	
	Number.	Per cent.	Number.	Per cent.
9. Classification of fires:				
Class A (no damages).....	2,359	45.36	1,896	60.42
Class B (under 5 acres).....	805	15.48	568	18.10
Class C (5 acres and over).....	2,037	39.16	674	21.48
Total number of fires.....	5,201	100.00	3,138	100.00
10. Causes of fires:				
Railroad locomotives.....	1,704	32.76	1,186	37.79
Lightning.....	724	13.92	294	9.37
Incendiary.....	302	5.81	97	3.09
Brush burning.....	307	5.90	181	5.77
Campers.....	688	13.23	431	13.73

Summaries and analysis of national forest fire reports for 1910 and 1909—Continued.

	1910.		1909.	
	Number.	Per cent.	Number.	Per cent.
10. Causes of fires—Continued.				
Sawmills and donkey engines.....	51	0.98	38	1.21
Unknown.....	1,184	22.77	758	24.16
Miscellaneous.....	241	4.63	153	4.88
Total.....	5,201	100.00	3,138	100.00
11. Locality of origin of fires:				
On national forest lands.....	3,438	66.10	2,310	73.61
On private lands within the forests.....	850	16.34	346	11.03
On lands outside of forest boundaries.....	913	17.56	482	15.36
Total.....	5,201	100.00	3,138	100.00

Losses on private lands within forest boundaries.

The amounts given in connection with (a), (b), (c), and (d) are included in the preceding table after 2, 3, 6, and 7, and the percentages following indicate the ratio of the losses on private lands within the forests to the total losses on the forests as shown in the first table. However, in this exhibit the cost of fire fighting includes the value of the time of forest officers.]

	1910.		1909.	
	Amount.	Per cent.	Amount.	Per cent.
(a) Area burned over, timbered and open (acres).....	\$812,918	16.43	\$62,742	17.33
(b) Timbered areas destroyed or damaged (acres).....	727,463	19.12	41,880	19.97
(c) Quantity of timber destroyed or damaged (M. B. F.).....	1,055,921	13.96	33,112	19.55
(d) Damage to timber.....	\$2,412,133.00	13.94	\$49,896.00	16.78
(e) Cost of fires on private lands within and outside of forest boundaries.....	233,040.22	20.26	17,162.82	25.24

INTERMENT OF DECEASED EMPLOYEES.

The CHAIRMAN. The next item is:

For the payment of all necessary expenses involved in the interment of the bodies of men who were killed while in the employment of the Department of Agriculture fighting fires in the national forests prior to December 1, 1910, and for the relief of their dependent relatives, \$15,000.

Secretary WILSON. Yes; we have no law authorizing us to do that. It is a case of very great hardship on those poor people.

Mr. DAWSON. Were 79 of those people killed?

Mr. GRAVES. Yes. They were temporary employees engaged in fighting fires, and they were caught in the fire which was the most injurious and dangerous of all. These men were buried where we found them, and we want to bring them out and put them at the permanent rangers stations, with suitable tablets. And then there are a number of very pitiful cases of families left destitute; one woman with five children, absolutely destitute, and there is no way in which we can help her. This sum of \$15,000 would be ample, we think, to take care of all the expenses connected with the interment of the dead and to meet such reasonable cases as that of this woman about whom I have just been speaking.

The CHAIRMAN. How much do you propose to pay to the dependent widows and children—have you fixed upon any amount?

Mr. GRAVES. No, we have not.

The CHAIRMAN. You would be governed by circumstances?

Mr. GRAVES. Yes; it would have to be a pretty small amount, because I presume there might be 25 persons who would have relatives that we would consider. Most of them are the floating population that you usually find in a lumber center.

The CHAIRMAN. You want this paragraph so amended as to include the expenses for hospital services and medical attendance?

Mr. GRAVES. Yes, sir. We started a hospital fund; the Red Cross gave us a thousand dollars and we raised among the employees of the Forestry Service some two thousand odd dollars to meet these expenses, and we have received later accounts which cover about \$1,300, and the suggestion was to put those words in so that could be included—those medical services and hospital expenses included in the \$15,000, not asking for any more money, but to use that wording in order to enable us to meet that.

Mr. DAWSON. Have you made any estimate as to the cost of the reinterment of these bodies?

Mr. GRAVES. It will not be very expensive, sir; we will use our own force and purchase simple coffins. I presume that \$10,000 would cover the relief of the relatives and \$5,000 would cover all the rest.

DEPARTMENT OF AGRICULTURE,

OFFICE OF THE SECRETARY,

Washington, February 21, 1911.

Hon. JAMES A. TAWNEY,

Chairman Committee on Appropriations,

United States House of Representatives.

SIR: In my letter of January 4, 1911, which is made a part of the letter from the Secretary of the Treasury (H. Doc. No. 1271) submitting an estimate of appropriation for the interment of bodies of employees of the Department of Agriculture killed in fighting fires, you will note that it is stated that "it is impossible at present to give a specific statement of the items comprised in the appropriation of \$15,000 to provide for the payment of burial expenses and the relief of dependent relatives," etc. Since transmitting this letter to the Secretary of the Treasury, information has been received from District Forester Greeley, of district 1 of the Forest Service, to the effect that bills for services rendered in taking care of men who were injured in fighting fires, for which there are no funds available, have been presented to him as follows:

Balance due the Wallace Hospital for services rendered fire fighters	\$375.50
Balance due F. E. McMillan (services as nurse for Forest Guard Gus Keating, who was injured while fighting fires)	38.00
D. H. Billmeyer, M. D., Thompson, Mont. (this bill was first submitted for \$105; the doctor has since discounted it \$30)	75.00
Frank D. Freeman, injured while fighting fires threatening the Nez Perce National Forest (fires would have been fought by Forest Service men, but none were available at the time)	180.00
Deaconess Hospital, Spokane	165.90
Banner Lodge No. 67, I. O. O. F., Spokane	105.00
(These two accounts are for services rendered Mr. J. C. Johnson, a fire fighter, who was seriously injured on the Kaniksu Forest.)	
Dr. E. S. Peck, Thompson, Mont.	424.25

(The charge of \$15 per week for hospital services and board for each man and \$1 per day per man for medical attendance are considered reasonable charges, and are the same, the doctor states, that the county allows him for the care of their sick. Dr. Peck states that he could make no charges less than those made, but that he will accept for these services whatever we can pay.)

Total ----- 1,364.25

It is desired that the appropriation of \$15,000 should include authority to meet these expenses, and if you deem it advisable to do so, it is suggested that the clause submitted to cover this appropriation be amended by inserting the

words, "also for the hospital services and medical attendance of the injured men," so as to read, when amended, as follows:

"There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of fifteen thousand dollars for the payment of all necessary expenses involved in the interment of bodies of men who were killed while in the employment of the Department of Agriculture fighting fires on the national forests prior to December first, nineteen hundred and ten, and for the relief of their dependent relatives; also for the hospital services and medical attendance of the injured men; this appropriation to be available until used, and all payments therefrom to be made by the Secretary of the Treasury upon the recommendation of the Secretary of Agriculture and to be supported by evidence satisfactory to both of them."

In connection with the foregoing and other items affecting the Forest Service, I trust that the proper officers of that service may be requested to appear before your committee at the time you take up the consideration of the general deficiency bill.

Very respectfully,

JAMES WILSON, *Secretary*.

TO REIMBURSE TEMPORARY EMPLOYEES OF THE FOREST SERVICE.

The CHAIRMAN. The next item is, "To reimburse temporary employees of the Forest Service for the value of the time lost from their usual employment by reason of injury sustained while fighting fires on the national forests, \$5,450." Were these men regularly employed in the service?

Mr. GRAVES. They were not our regular employees; they were temporary laborers. As soon as they were injured and sent to the hospitals their pay stopped, and we could not pay them any wages during that time, and it seemed to us a matter of fairness that the Government should make such payments.

Mr. DAWSON. These are all small amounts?

Mr. GRAVES. Yes, sir. They are indicated in this document, No. 1273.

TO REIMBURSE OWNERS FOR VALUE OF HORSES, ETC.

The CHAIRMAN. The next item is, "To reimburse the owners for the value of horses and horse equipment destroyed while being used by Government employees in fighting fires while on the national forests, \$2,742.90." That is an ascertained amount, is it?

Mr. GRAVES. Yes, sir; it is given in detail in this itemized statement. It represents horses and horse equipment used for fighting fires and burned up.

Mr. KEIFER. Many of them were emergency people, were they not?

Mr. GRAVES. All that were killed were emergency people.

ENFORCEMENT OF THE INSECTICIDE ACT.

The CHAIRMAN. Mr. Secretary, the next item is "Enforcement of the insecticide act, \$40,000."

Secretary WILSON. Yes; this was \$50,000, as estimated once, but it has gone sometime now and we think \$40,000 will attend to that.

The CHAIRMAN. In a general way, Mr. Secretary, can you explain what you propose or what you will require under the law, in the administration of this law, and what the nature of the service is for which you estimate \$50,000?

Secretary WILSON. Yes. I propose, in order to get it done as economically as possible and as intelligently as possible, to have the

Bureau of Chemistry to do the chemical work, to have the Bureau of Entomology to look into the kind of insecticides they use, to have the Bureau of Animal Industry do the same, and also the Bureau of Plant Industry. I want them to take a man from each bureau and make a little board that can administer that law—that is, bring me the facts with regard to it. These people are all drawing salaries now and they can do this incidentally, and I propose to call on the pure-food inspectors to give us facts and also send us samples of insecticides that are supposed to be adulterated, and all of this to be done without any extra expense.

The CHAIRMAN. This law is so drawn that you can utilize your departmental service in its enforcement?

Secretary WILSON. Precisely; that is what I intend to do.

The CHAIRMAN. You do not intend to establish a new bureau or a new division?

Secretary WILSON. No, sir; I want to do this as economically as possible, that is why I have called for a man from each of those four bureaus who would be in touch with them. We will have to add one man to keep the records of that little board, just one man. Then Wiley may need some more chemists to do the chemical work, and if he does we will have to let him have more. But I cut the actual estimate down to \$80,000; there were various estimates from \$200,000 on, but I thought that by taking this method of doing the work about \$87,000 would do it. Now, this \$40,000 is merely for the purpose of carrying it on until the 1st of next July.

The CHAIRMAN. You have an appropriation in the agricultural bill for \$87,000 for the next fiscal year?

Secretary WILSON. Yes, sir.

The CHAIRMAN. Have you been doing any work at all?

Secretary WILSON. No; we have not had a dollar to do any work with.

The CHAIRMAN. Well, you have had your regular force, the force that you intend to utilize?

Secretary WILSON. Yes, we had them; but I did not feel justified in taking them until we got some money to pay a clerk. We have been waiting, supposing this thing would come, day after day. Now, we think we can get along with \$40,000 instead of \$50,000.

The CHAIRMAN. Yes; I have your letter here, which I will insert in the record, proposing to reduce it from \$50,000 to \$40,000.

DEPARTMENT OF AGRICULTURE,

OFFICE OF THE SECRETARY,

Washington, February 13, 1911.

HON. JAMES A. TAWNEY,

House of Representatives, Washington, D. C.

SIR: Referring to House Document No. 1135, transmitting two items from this department for incorporation in the deficiency bill for the fiscal year ending June 30, 1911, I have the honor to invite your attention to the one for carrying into effect the provisions of the insecticide act of 1910, \$50,000, and to say that as some time has elapsed since January 1 last, the date upon which the insecticide act became effective, the full sum will not now be necessary, and I recommend that the amount be changed from \$50,000 to \$40,000, which is believed to be sufficient for the work during the balance of the present fiscal year.

Very respectfully,

JAMES WILSON, *Secretary.*

HOUSE OF REPRESENTATIVES.

COMPILER AND INDEXER.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ACCOUNTS,
Washington, February 18, 1911.

HON. JAMES A. TAWNEY,
*Chairman Committee on Appropriations,
House of Representatives.*

DEAR SIR: The Committee on Accounts unanimously recommends to the Committee on Appropriations the insertion of the following provision in the general deficiency or sundry civil appropriation bill, viz:

For compiler and indexer of reports and hearings of House committees (William Tyler Page) under the direction of the Committee on Accounts, and for such other duties as the committee may require, from March 1, 1911, to June 30, 1912, inclusive, at the rate of \$4,000 per annum, \$5,300.

In this connection the Committee on Accounts makes the following statement:

Claims of the employees of the Senate and House for services and alleged services in compiling and indexing reports and hearings of committees, and the like, have recently provoked considerable discussion and some criticism. The general deficiency bill each year has been the vehicle for the payment of such claims, and the contingent funds have satisfied others. In the present Congress expenditures for such services have already amounted to over \$13,000, and bid fair to approximate \$20,000. In the Sixtieth Congress appropriations for same were \$16,750.

The Senate has met this situation by providing for an indexer of committee reports and hearings. In the Senate June 9, 1910 (Rec., 2d sess. 61st Cong., p. 7655), this amendment to the sundry civil bill was agreed to:

"Senate, Secretary's office: For compiler of the Navy Yearbook and indexer (Pitman Pulsifer), \$3,500. * * *

The amendment was agreed to by the House and became a part of the law.

In the Senate December 17, 1910 (Rec., 3d sess. 61st Cong., p. 427), this amendment to the urgent deficiency bill was agreed to, and became a part of the law:

"For compiling and indexing reports and hearings when necessary of Senate committees and joint committees of the Senate and House of Representatives under Pitman Pulsifer, indexer, as provided in the act making appropriations for sundry civil expenses of the Government, approved June 25, 1910 (36 Stats., p. 766), \$6,500, or so much thereof as may be necessary."

The legislative appropriation bill as reported from conferences provides for Mr. Pulsifer's salary for the next fiscal year, and also gives him an assistant at \$2,220. These men, both experienced indexers, will index all publications of the kind indexed for which extra compensation has heretofore been paid. They are now engaged in indexing 40 volumes of the Immigration Commission's report.

It is thought that some such plan as that adopted by the Senate would be desirable for the House.

The compensation recommended in the foregoing provision is \$500 per annum greater than that of the Senate indexer, for the reason that the work of indexing for House committees is likely to be heavier, and for the further reason that the House indexer, in addition, is required to perform other duties, under direction of the Committee on Accounts, which by the person named probably will be in the nature of the duties now performed by him as clerk of said committee.

The person named in this proposition has been an employee of the House for 30 years, first as page, then successively assistant file clerk, assistant journal clerk, assistant enrolling clerk, acting journal clerk (1st sess. 50th Cong.), acting tally clerk (2d sess. 49th Cong., 1st sess. 52d Cong.), printing and bill clerk (53d Cong.), private secretary to two Congressmen, and for 12 years clerk to the Committee on Accounts. This experience has familiarized him with indexes and the construction of indexes, and he has made, and assisted in making, indexes for various documents, and has been consulted about the making of others. His experience fits him for the duties indicated.

There will be a considerable saving by this proposition, probably an annual average of \$6,000. Moreover, with a regular indexer indiscriminate compiling and indexing will be discouraged, and indexing will be uniform and scientific.

It is the purpose of the indexer to continue and complete, as soon as possible, the compilation on which he has been engaged of the laws, decisions, and practice relating to the contingent fund and the officers and employees of the House. This work has progressed to and including the Fiftieth Congress. When finished it probably will be in two volumes of the size of Hinds' Precedents and arranged in like manner. The work already done has been done without extra compensation, none being asked or expected.

The matter is submitted to the Committee on Appropriations as a business proposition in the interest of good service.

Very truly, yours,

F. D. CURRIER,
Acting Chairman.

TREASURER, UNITED STATES, RELIEF OF.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY.

Washington, January 27, 1911.

HON. JAMES A. TAWNEY,

House of Representatives, Washington, D. C.

SIR: I have the honor to transmit herewith a communication from the Treasurer of the United States relating to items of public moneys that have been lost without fault or negligence on the part of the Treasurer. The history of these items is fully set forth in House Document No. 721, Sixty-first Congress, second session, and it seems desirable and important that the Congress should enact legislation that will relieve the Treasurer of further accountability for said losses.

The attention of the Congress is again invited to the subject, and I commend for its consideration some such addition to the statutes as is herewith appended.

Respectfully, yours,

FRANKLIN MACVEAGH, *Secretary.*

TREASURY DEPARTMENT.

Washington, January 27, 1911.

THE SECRETARY OF THE TREASURY.

SIR: I have the honor to invite your attention to the items of unavailable funds, representing public moneys that have been lost without fault or negligence on the part of the Treasurer of the United States.

On February 15, 1910, you transmitted to Hon. James A. Tawney, House of Representatives, a communication in which was given a full history of each item of said public moneys so lost; you also recommended that provision be made for the elimination of these items from the general account. The correspondence was made the subject of House Document No. 721 (61st Cong., 2d sess.), but legislation has not yet been enacted that will relieve the Treasurer of further accountability for the following items set forth in said document:

Unavailable funds in General Treasury.

In subtreasuries, Assistant Treasurer United States:

New Orleans, La., 1867	\$680,891.53
New Orleans, La., 1886	328.80
New Orleans, La., 1895	20,959.81

In mints and assay offices:

Mint of the United States, San Francisco, 1857	413,557.96
Branch mint United States, Dahlonega, Ga., 1861	27,950.03
Branch mint United States, Charlotte, N. C., 1861	32,000.00
Mint of the United States, New Orleans, La., 1886	54.00
Mint of the United States, Philadelphia, Pa., 1893	13,543.82
Mint of the United States, Carson City, Nev., 1894	75,549.75

In national-bank depositories:

Venanzo National Bank of Franklin, Pa., 1866*	181,377.51
First National Bank of Selma, Ala., 1867	33,383.87

In depositaries United States (old):

Depository United States, Galveston, Tex., 1861-----	\$778. 66
Depository United States, Baltimore, Md., 1866-----	547. 50
Depository United States, Santa Fe, N. Mex., 1866-----	249. 90
Depository United States, Pittsburg, Pa., 1867-----	2, 126. 11

Total deficits reported and fully described in House Document No. 721----- 1, 483, 299. 25

Unavailable funds in the account for the service of the Post Office Department.

Assistant Treasurer United States, New Orleans, La., 1861-----	\$31, 164. 44
Depository United States, Savannah, Ga., 1861-----	205. 76
Depository United States, Galveston, Tex., 1861-----	83. 36
Depository United States, Little Rock, Ark., 1861-----	5, 823. 50

Total (Post Office Department account)----- 37, 277. 06

It is desirable that you again invite the attention of the Congress to the subject of the unavailable funds as herein stated, and that you renew the recommendation for legislation that will provide for the elimination of these funds from the general account by authorizing a credit to the Treasurer of the United States and a corresponding charge upon the books of the department against the defaulting officer or depository who fails to pay the money on demand.

Respectfully,

LEE MCCLUNG,
Treasurer of the United States.

SUBTREASURY OFFICE, CHICAGO, ILL.

OFFICE OF THE ASSISTANT TREASURER OF THE UNITED STATES.

Chicago, Ill., February 16, 1911.

HON. JOSEPH G. CANNON,

Member of Congress, Washington, D. C.

DEAR MR. CANNON: I herewith inclose you copy of a letter to the Secretary of the Treasury which is self-explanatory. I hope that it may be possible to provide for two additional clerks in this office at \$1,500 per year in the deficiency appropriation bill, that we may be enabled to continue the work of canceling and shipping unfit currency by mail.

Yours, very truly,

LEN. SMALL,
Assistant Treasurer United States.

OFFICE OF THE ASSISTANT TREASURER OF THE UNITED STATES.

Chicago, Ill., February 16, 1911.

To the honorable the SECRETARY OF THE TREASURY,

Washington, D. C.

SIR: During the month of January this office counted, canceled, prepared, and shipped to the Treasurer of the United States unfit paper currency of a total face value of \$7,053,500, consisting of approximately 2,000,000 notes. This was an average of \$282,140 for each of the 25 working days. In shipping this currency to the department by registered mail instead of by express a saving of approximately \$1,400 for the month of January was effected. At this rate the saving for the year would approximate \$17,000.

This work was accomplished with four clerks counting regularly and from two to five clerks counting whenever they could be spared from their regular duties. Two clerks were employed in canceling and preparing this currency for shipment. I believe that this is a very creditable showing for the number of men employed. This result was obtained with a practically full office force. As soon as regular leave of absence is granted the employees, six of the employees will be absent on leave practically all of the time during the balance of the calendar year. In addition, it may be expected that an average of one employee per week will be absent on account of sickness. This will cause a scarcity of extra help to use on this work.

In accomplishing the results above referred to it was found necessary frequently to carry overnight, as a balance in the possession of assorting teller, large amounts of uncounted currency. I very much dislike to be compelled to carry such balances from day to day, and an effort is always made to count and cancel each day the unfit currency received on that day.

I am of the opinion that additional clerical help should be furnished this office, so that this work may be facilitated. I would, therefore, urgently request that an effort be made toward securing from the present Congress the necessary appropriation for the payment of the salaries of two additional clerks, at \$1,500 per annum. I am informed that while the work of this office has materially increased during the past few years, the force has not been increased for five years.

Respectfully,

LEN. SMALL,

Assistant Treasurer United States.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,

Washington, February 18, 1911.

HON. JAMES A. TAWNEY,

Chairman Committee on Appropriations,

House of Representatives.

SIR: I have received your telegram of this date asking for a statement of my opinion whether it is necessary to provide for additional clerks at the Chicago subtreasury. This request of the assistant treasurer at Chicago is based upon the additional work required of him in connection with the new method of cutting and canceling United States currency presented at his office for redemption, a reform which has made possible in the aggregate a cut in the appropriation "Contingent expenses, independent treasury" in the sundry civil appropriation bill for 1912, of \$70,000.

It must be observed that the assistant treasurer at New York, who put this system in operation almost exactly a year ago, has been able to handle the added work without asking for any increase in force. It is a little doubtful, moreover, whether the assistant treasurer at Chicago, who began handling a part of his redemptions by this method late in November, and only reached the point of applying it to all redemptions some two months ago, has as yet had sufficient experience with the plan to be quite certain that additional force will be necessary. The assistant treasurer has, however, urged very strongly upon me the necessity for additional employees, and I shall not be averse to the addition in the personnel of his office of one clerk at a salary of \$1,200 per annum in case you should think this advisable.

Very truly, yours,

FRANKLIN MACVEAGH, *Secretary.*

CAPITOL POWER PLANT.

OFFICE OF SUPERINTENDENT.

UNITED STATES CAPITOL BUILDING AND GROUNDS.

Washington, D. C., February 21, 1911.

HON. JOSEPH G. CANNON,

Chairman House Office Building Commission.

SIR: I lately submitted to your commission a proposition for the installation of certain electric cable connections between the Capitol and other congressional buildings; items which had not been provided for in the original appropriation for the heating, lighting, and power plant, the purpose being to dispense for a considerable portion of the recess period with the services of three operators at \$75 each per month and three assistants at \$60 each per month, or a total saving of \$4,860 per annum, also six assistant operators can be dispensed with for six months during the year at an annual saving of \$2,160, making a total saving of \$7,020 per annum. I endeavored to further this work by continuing it under the appropriation already made for the heating, lighting, and power plant, but find that it will be impossible to finish without a deficiency appropriation of \$29,357.65. If the Committee on Appropriations fails to provide for this in the sundry civil bill, as was at the time suggested by me, it would be necessary to obtain a deficiency appropriation in the amount named. You will note that this sum is \$7,642.35 less than my estimate sent forward under date of February 9.

I also respectfully request the approval of your commission for an appropriation to be made in the general deficiency bill in the sum of \$25,000, which is made up as fol-

lows: Approximately \$18,000 added cost to the construction of the waterway approximating 4,600 feet in length between the Potomac River and the heating, lighting, and power plant in Garfield Park—the balance being explained later on.

It will be remembered that our original appropriation for this work was \$98,500, which was based upon the construction of an intake waterway and suitable pumping station at the river, and that our purpose was to dispose of the waste water from the condensers by emptying same in the large trunk sewer which passes under the power plant proper. A controversy with the District Commissioners immediately arose, and that body refused to permit us to use the trunk sewer for that purpose on the ground that it would add considerable expense to the operation of their sewage disposing pumping station into which this trunk sewer enters. As this controversy threatened to delay the completion of the heating, lighting, and power plant, making it in a large measure ineffective for service during the present session of Congress, we determined to attempt the construction of the return system for the overflow of the condensing water, and carry the same back to the river, using the gravity method in order to avoid the additional pumping. Notwithstanding this was not included in our original estimate we have been able to make this waterway complete both as to intake and return at an additional expense of only \$18,000 above the original appropriation. The balance of this deficiency is made up of expenses incident to the temporary operation of the power plant, for testing purposes, during the last six or seven months. This is an item wholly outside of the phase of construction, but was considered necessary to properly conduct the testing of the apparatus and other features of the plant as provided for under contracts made with the manufacturers. It was not possible for us to carry this item of expense under the ordinary expenses incident to the usual annual appropriation for lighting the Capitol Building and Grounds.

Very respectfully,

ELLIOTT WOODS,
*Superintendent United States Capitol
Building and Grounds.*

HOUSE BUILDING COMMISSION.

OFFICE BUILDING,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 21, 1911.

DEAR SIR: We recommend and request that there be included in the general deficiency appropriation bill, provisions to pay Elliott Woods, Superintendent of the Capitol Building, the sum of \$7,500 for services rendered in the preparation of plans for and superintending the construction of the House Office Building, the Capitol power plant, and the subway connecting the Capitol and House Office Building, and to James C. Courts, clerk of the Committee on Appropriations, the sum of \$2,500 for his services as secretary to the House Office Building Commission from the time of its organization in March, 1903, to the present date.

Both of these employments and payment therefor were authorized by a provision carried in the sundry civil act approved March 3, 1905.

It is proper to add that neither Mr. Woods or Mr. Courts have heretofore been paid anything for the services they have rendered nor has the commission, during its period of service, employed anyone else to act in the capacity in which they have served.

Very respectfully,

J. G. CANNON,
WALTER I. SMITH,
House Office Building Commission.

HON. JAMES A. TAWNEY,
*Chairman Committee on Appropriations,
House of Representatives.*

COMMITTEE ON ACCOUNTS, STENOGRAPHIC AND TYPE-WRITING SERVICES.

HOUSE OF REPRESENTATIVES, UNITED STATES,
OFFICE OF CHIEF CLERK,
Washington, D. C., January 30, 1911.

HON. JAMES A. TAWNEY,
*Chairman Committee on Appropriations,
House of Representatives, United States.*

DEAR SIR: I respectfully request that an appropriation be made of \$1,400, or so much thereof as may be necessary, for stenographic and typewriting services, not exceeding the rate of \$75 per month, from March 4, 1911, to June 30, 1912, to continue

the compilation of laws, etc., relative to the employment, duties, and compensation of employees of the House of Representatives and matter pertaining to the disbursement of the contingent fund authorized by resolution of March 10, 1910.

Yours, very truly,

WM. J. BROWNING, *Chief Clerk.*

[Sixty-first Congress, second session.]

Resolved, That there shall be paid out of the contingent fund of the House, to continue from the close of the Sixtieth Congress the compilation of laws, decisions, tabular statements, and debates, pursuant to the act of March third, nineteen hundred and one, relative to the employment, duties, and compensation of the employees of the House of Representatives, to which shall be added matter pertaining to the disbursement of the contingent fund of the House, for stenographic and typewriting services, not exceeding the rate of seventy-five dollars per month, authorized by House resolution adopted January tenth, nineteen hundred and eight.

Attest:

Clerk.

ALBERT CHAMPION CO., OF BOSTON, MASS.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, February 21, 1911.

The CHAIRMAN COMMITTEE ON APPROPRIATIONS,
House of Representatives.

SIR: I have the honor to acknowledge the receipt of your letter of the 18th instant, in which you state that there is pending before the subcommittee which is considering the sundry civil appropriation bill an item for the payment of \$2,285.83 excess duties claimed to have been paid by the Albert Champion Co., of Boston, Mass., upon certain automobile ignition wires imported through that port.

In reply to your inquiry whether this department has any objections to your committee carrying an item in the sundry civil appropriation bill for the refund of the excess duties collected, I have to advise you that the department has no objection if Congress desires to grant the company relief.

I will state, however, that the amount should be changed to \$2,272.48, to agree with a report received from the collector of customs at Boston under date of January 30, 1911.

Respectfully,

FRANKLIN MACVEAGH,
Secretary.

ACCOUNT OF GLEN R. METSKER.

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, D. C., February 23, 1911.

HON. JAMES A. TAWNEY,
Chairman Committee on Appropriations, House of Representatives.

MY DEAR MR. TAWNEY: While Mr. Frank Bond, chief clerk of this office, was before your committee on Tuesday last, the 21st instant, you made inquiry of him regarding an item covering a claim of Mr. Glen R. Metsker, a special agent of this office, in the sum of \$348, submitted for inclusion in the general deficiency bill for the fiscal year ending June 30, 1912.

I have the honor to advise you that the facts which gave rise to this claim are as follows:

When the appropriation for the field force was becoming depleted in the spring of 1910, it became necessary to furlough without salary or per diem a number of special agents and also to transfer others to various local land offices where their services were needed, in order to cut down expenses chargeable to said appropriation. Mr. Metsker was at that time doing duty as a special agent in the Fairbanks, Alaska, land district, and, by office letter of May 4, 1910, he was temporarily assigned to duty in the local land office at Fairbanks from and including May 1, 1910, at salary only and without per diem or traveling expenses.

It appears that Mr. Metsker did not receive notice of this order assigning him to the local land office at Fairbanks until May 6, 1910, and, in view thereof, an order was made on January 30, 1911, amending the order of May 4, 1910, so as to make his assignment effective May 7, 1910.

It appears that Mr. Metsker although so assigned to the local land office continued the work of special agent.

When Mr. Metsker was in this city recently he called my attention to the fact that he had continued in his duties as a special agent, and to the further fact that the cost of living was so high at Fairbanks that his salary was inadequate to cover even his subsistence. Upon consideration of the entire matter an order was issued February 7, 1911, amending the order of January 30, 1911, so as to allow him \$6 per diem, the rate allowed in Alaska, from May 7 to June 30, 1910. When the vouchers including this claim, as well as the claim for per diem from May 1 to 6, 1910, were presented to the Auditor for the Interior Department for settlement, he found that there was nothing due Mr. Metsker; whereupon Mr. Metsker took up the matter of having the claim made an item in the deficiency bill.

Very respectfully,

FRED DENNETT, *Commissioner*.

HOP AND MALT EXPOSITION AT CHICAGO.

DEPARTMENT OF AGRICULTURE.

OFFICE OF THE SECRETARY.

Washington, February 23, 1911.

HON. JAMES A. TAWNEY,

Chairman Committee on Appropriations, House of Representatives.

DEAR MR. TAWNEY: The Senate Committee on Agriculture and Forestry, I believe, did not include in the agricultural appropriation bill an item of \$8,000 for the exhibit of this department at the International Barley, Hop, and Malt Exposition to be held in Chicago, Ill., during the fall of 1911. I think the department ought to be represented at this exposition, and I hope you can see your way to take care of the item of \$8,000 for this purpose in the urgent deficiency bill. The department has had this matter under consideration for some time, and as the exposition in question is an important international affair, it seems to me eminently proper that the department be represented. I therefore hope that you will be able to provide for this appropriation of \$8,000 in the way suggested.

Very truly, yours,

JAMES WILSON, *Secretary*.

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